

Iceland in Transition

**Labour and socio-economic change
before 1940**

Magnús S. Magnússon



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**SKRIFTER UTGIVNA AV EKONOMISK-HISTORISKA FÖRENINGEN
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Magnús S. Magnússon

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However, the responsibility for any shortcomings which may be found here is entirely mine.

October, 1985
Lund, Sweden

Magnús S. Magnússon

Icelandic letters and pronounciations:

Á/á sound as ou in "house"

Ð/ð sound as th in "mouth"

Í/í sound as ee in "green"

Ö/ö sound as o in "go"

Ú/ú sound as oo in "moon"

Þ/þ sound as th in "thin"

Æ/æ sound as i in "knife"

Ö/ö sound as u in "burn"

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Chapter 1

INTRODUCTION

1.1. The problem presented.

Not until the 19th century do we trace in Iceland the decisive elements which resulted in both social and economic transition leading to an advanced capitalist economy. The country underwent an economic breakthrough as a specialized fish-exporting country, while many other countries in a similar situation - as exporters of primary products - remained within the "vicious cycle" of poverty.

The breaking up of "Old Iceland" as an archaic social and economic system was associated with the orientation of the work force and the existing wealth towards the modernized fisheries. This did not happen without great frictions in the relations between classes, leading in the first hand to mass exodus from farming and to increasing class polarization in the fisheries, and thereafter in other industries as well.

In this work the intention is to investigate the implications of Iceland's transition on the social and economic conditions of the working class since the 19th century to ca. 1940.

1.2. The Icelandic socio-economic phases of development.

The structural changes that occurred, finally resulting in the capitalist mode of production in Iceland, can be divided chronologically into a pre-transitional epoch prior to 1880; an early transitional phase between 1880 and 1910; and the capitalist breakthrough 1910-1930, while the 1930s were associated with import-substitution and domestic oriented manufacture.

My interest primarily concerns the social aspects of this process which I label the transitional era and which is restricted to the period 1880-1930. In this half a century the appearance of Iceland was drastically changed from economic archaism to a dynamic capitalist economy. The title of this study leaves the periodization quite open. This is consciously intended because the work starts with the characteristic traits of society in the pre-transitional era. The 18th and 19th century prior to 1880s are summed up as a point of

departure, in order to create a distance with regard to the period ensuing.

1.2.1. The pre-transitional era prior to 1880.

The pre-transitional economic system in Iceland was based on the domination of the farming occupations over alternative systems of production, in particular the fisheries, which then were mainly part-time, but also seasonal. It was based on land-extensive pastoral farming where the control and occupation of land constituted the basis of wealth and power in the country. Social status was de jure equal to the access to land which in its turn was synonymous with a de facto right to have a family and a household.(1)

Independent fisheries were however a tabu; not allowed to arise within the boundaries of the farming community. With a very primitive social division of labour the old solution of the ruling landowner gentry was keeping control over the flow of seasonal labour between farming and fishing. The ruling group, which consisted of well-to-do farmers, officials of the crown, and the clergy, gained most from a status quo. This system rested on quite fixed class boundaries and modes of production, where the existence of an independent class of workpeople threatened to disturb the prevailing social balance. Furthermore, since this system in practice counteracted social division of labour the perspectives of a market economy in the country were hardly thinkable, not to mention an economy resting on a division of labour within the sphere of production, except in primitive forms.

Apart from the legal aspects which divided the farmers they were socially and economically a heterogenous group; from the wealthy aristocracy, which controlled most of the land, to the poor sub-tenants, whose numbers customarily fluctuated in accordance with prosperity or adversity within the farming community. The distribution of wealth was essentially dependent on the ownership and distribution of land. The major categories of people having some land were four: Landowners; independent farmers; sub tenants, and cottars (crofters).

Another demarcation line between farmers was by tradition made on the basis of the variable degree of dependancy on fishing. In the cases where the "farmers" were highly active in the inshore fishing they belonged to a category of people usually called "fishermen-farmers" and "cottars", the second category having a very small piece of land, but nevertheless maintaining an independent household.

A key element of continued "social stability" was that the dependent groups of working people in farming, the farming servants, were kept at their proper place in the social and economic hierarchy through a blend of extra-economic coercion - the legal

obligation of the propertyless classes to commit themselves as domestic servants on a one-year basis. Labour servants did by definition not have own households and only in extreme cases they were married. The indispensable precondition of farmers' wealth in the pre-transitional era was the abundance of farm hands, especially during the hay-harvest period. The farmers were unwilling to abolish their privileges which secured themselves access to the cheap labour of domestic servants, who in the 19th century made up about 1/4 of the whole nation and much more if we refer to the economically active only. If these restrictions had been absent the working people surely would have sought fortune in the fishing stations more than what was usual. However, it was customarily accepted that the working people attended the fisheries distant from the farm on a seasonal basis, not permanently.

Hence, the social division of labour was very limited and for a long time effectively checked by the farming aristocracy. The indispensable link between the harmonic rhythms of farming and fishing throughout the earlier centuries until the late 19th century was the existence of seasonal work and controlled flow of working people within these two economic activities. The term "controlled" simply means that fishing was to a certain degree accepted by the farmers in so far as the domestic servants, and the landless and very poor fishermen (cottars) were during high season available as agricultural labourers. Geographical mobility and seasonal employment were two intrinsic elements of the production system as a whole.

An important factor which - besides the extra economic coercion - served to maintain the "archaic" social system was the low level of technology in the fisheries; the domination of rowing boats and inshore fisheries until the late 19th century. The interplay between ecological factors (climate and fish migrations, location of natural ports for shelter, fishing sites, etc.) and the existence of small fishing boats were in combination subsidiary barriers against attempts of establishing fisheries independent of the agrarian economy.

In pre-transitional Iceland the economic system remained mostly isolated from foreign influences - in particular with regard to the modes of production. Both farming and fishing remained stagnated and the country did by no means incorporate the technological improvements in ocean navigation or agriculture developing elsewhere in Europe. No class or business was either to be found for promoting such changes. Until the 19th century no Icelandic class of merchants existed and practically all (legal at least) international trade was in the hands of the Danish. Their role was, however, restricted to the purchase and sale of commodities (circulation) and it was only later that they entered the sphere of production.

It is highly appropriate to conceive the Danes' turn towards productive investments in the 19th century as a key element in the transitional process - then in co-partnership with Icelandic

entrepreneurs. Fishing capital was the original and also decisive source of capitalized industries and new patterns of class relations. The accumulation of fishing capital depended both on conditions which were domestic and foreign. A full account necessitates therefore a perspective which integrates Iceland's socio-economic transition with the general pattern of industrialization in the 19th and early 20th century. While this quest for a holistic view is ambiguous it should be conceived as an approximation.

To sum up: The cumulative changes in the forces of production were not strong enough to brake the prevailing economic structure prior to 1880. The modest use of decked sail vessels by Icelanders from the very beginning of the 19th century constituted only isolated episodes remote from the changes which occurred in the transitional era. To this we may add that the analysis of the process which led to the transformatory era must rest on a combination of increased capital accumulation (both foreign and domestic) in the fisheries and the specific social and economic depression within the realm of the farming community (demographic pressure, sheep epidemic, cold weather, arctic ice, and mass emigration to N-America).

1.2.2. The transitional era 1880-1930.

a) The emerge of new class boundaries 1880-1910.

It is a major historical problem to outline the key components of the process which has been characterized as the proletarianization process. It involved two phases or stages if to be completed. Firstly, the establishment of a group of people with no means of living (means of production) or insufficient for sustenance on the basis of them alone. The domestic servants in the farming sector composed a typical group in this respect. Without property and enforced into direct servitude for others on an annual basis they composed a semi-proletarianized labour force. Secondly, when the turn towards a short-term selling of one's labour power began the fundamental path was taken into the dominion of wage-working; a genuine proletarianization. Here, the fisheries acted as a stepping stone for people leaving the farming sector.

The late 19th century signified changes in the fisheries when the use of decked sail vessels replaced the ineffective rowing boats. These fisheries played a central part in setting the labour force free.

In the early stages of the proletarianization process the crystallization into working class organizations happened infrequently and those organizations which showed signs of life remained extremely weak. Hence, it should be of interest to study how the workers, without proper unions, managed to subsist - as the old poor-law

legislation crumbled without any adequate and modern social welfare policy in sight, or far ahead.

Between 1880 and 1910 the farming economy was still a dominating feature of the socio-economic structure although successively giving way to the pressure from other occupations centred in the growing urban areas. Social division of labour, urbanization, the extension of capitalist market relations etc., proceeded with the assistance of the fisheries as a leading sector in the capital-accumulation process. As a "proto-factory stage", however, the rural character of the production relations still prevailed as an essential element of the social structure. The labour conditions on the whole were still characterized by seasonal labour migration between farming and the urban occupations, although alternative patterns of labour flows were successively established outside the agrarian economy. Changes in the proto-factory character of manufacture (in the fishing sector) implied essentially that the farming work force turned into a labour force increasingly engaged in either the fisheries or fish processing, without breaking the umbilical chord between the two spheres. This phase was truly of a transformatory character, not because of any significant revolutionary changes in the means of production from a technological point of view, but rather because of changing business organization and crystallization of a seamen's and workers' class gradually becoming employed for a longer part of the year. In this phase the role of Reykjavík as a main centre of gravity was consolidated in almost every respect, while elsewhere the variety of occupations remained based on farming and fishing primarily, although tending to move apart. The driving force behind the "spurt" was nonetheless the fishing sector which, as a result of the mechanization phase in the early 1900s, served as a catalyst for the economic development as a whole. The subordination of labour to capital was more apparent in this sector than previously, but in the proto-factory era it was hardly more than formal. In the early transformation era the restraints against a freely moving labour force were abolished and the new labour market relations - f. ex. the process of institutionalization - was only at an early stage.

b) The industrial breakthrough 1910-1930.

As to denote the difference between this period and the previous one the period begins with exceptional growth in the fishing sector, but towards the end a generalized pattern of growth characterized nationally this phase of "industrial revolution", or "industrial breakthrough". In Iceland this stage was dominated by the progress of the steam-trawling industry; particularly in Reykjavík and Hafnarfjörður. It involved a genuine mechanization process (machinofacture) in which we can speak of a revolution in the development of

the productive forces corresponding to the general traits of a capitalist society.(2) As a leading branch the trawling business in turn accelerated other auxiliary business, mainly located in Reykjavík. Compared with the previous stages this turn towards large-scale fishing industry signalled an intensified accumulation and concentration (centralization too) of capital. Although the fisheries were the pacing industry of the industrialization breakthrough they were technologically and socially a heterogenous occupation. Many fishermen worked temporarily during the year. The small motor boat had comparable relations to the advanced trawling business as the "domestic" or "putting-out" system had vis à vis the cotton factories in England. In that phase labour had turned into a prolonged arm of capital in the production process (real subordination). Furthermore, the agricultural occupations successively turned into more specified jobs on a sectoral basis. The previous appetite for labour power was replaced by rationalizations in the pastoral mode of farming. Specialization went hand in hand with urbanization (dairy products), intensified exports (mutton, wool, sheep skins) and early steps towards mechanization.

1.2.3. The post-transitional era: Years of consolidation 1930-40.

The outbreak of the Great Depression signified a reorientation of the Icelandic economy from exports of the significant primary products in fishing and farming towards the extension of the domestic market. First then manufacture production became significant outside the fishing industry, with many but small firms being established, partly thanks to the new policy which raised the import duties on manufactured goods. The change of situation was partly reflected in the numerous foundations of many small trade unions of skilled workers.

In this period the fishing industry underwent drastic restructurizations due to the changed market situation abroad. New processing techniques were introduced on a mass scale, such as fish-meal factories and quick-freezing plants, while the great era of salted fish production was ebbing out.

As a whole the 1930s were a period of import-substitution and consolidation of industries in the secondary sector and semi-fabricated products. The expansion and accumulation was at this stage more towards capital deepening than widening which implied that while capital had decisively taken the command in the economy the previous era of economic transition was over.

If we turn again to the transitional era it is demonstrative to present in this respect the usual standpoints of the students of Icelandic history. The common denominator has been their general emphasis on the central role of the fisheries when dealing with the

modernization in Iceland: Firstly, the export-orientated fisheries were of decisive importance to the opening up of previously unexperienced possibilities for a leap in economic and social development. Secondly, the import of foreign capital began on a modest scale with the foundation of the National Bank of Iceland (Landsbanki Íslands) in 1885, but on a big scale with foreign capital mainly when the Bank of Iceland (Íslandsbanki) started in 1904. Thirdly, the urbanization process passed through great leaps in the 1880s and 1890s, in particular where the fisheries had achieved a strong position; in Reykjavík, Siglufjörður, Ísafjörður, and Seyðisfjörður, etc. Fourthly, the mechanization of the fishing vessels, and the crucial role of the steam trawlers in the total transformation of the society have been made much of. (3)

Usually this listing is done without any clear reference to a theoretical framework. Such a negligence suffers foremost from lacking the dynamics of the forces in the transformation process. The customary explanations tend to emphasize the technological aspects at the cost of the social. The "Excursus" (p. 219) about general concepts of socio-economic periodization is intended to integrate these two aspects and in a way to unveil the foundation of the main chapters in this work. It deals with the framework I prefer to present, not necessarily as an operative tool at all levels in this study, but as the organizing principle when dealing with the dynamics and therefore periodization of socio-economic changes. Thus, the conclusions drawn in the various chapters are not intended to directly verify the theoretical foundation but instead I prefer to use the terms "indirect indicators" or simply "illustrations" of the relations between concrete social phenomenons and the dynamic factors of change. In that way I hope that this work will not be confined to neither chronological narratives or empty abstractions.

1.3. Sources and general questions of method.

Here, I want to explain in broad terms the approach of this study, from a principal and practical point of view. Writing history enforces the researcher to confront himself with both general hypotheses and a field consisting of diverse sources. To conceive the small particles in history within a holistic view is a major epistemological problem in historical science, not the least for historical materialism. If the 'general' or the whole has in practice the primacy with regard to the 'particular' it is nevertheless a question of principle to unite these aspects in historical research. Not only is it a question of documentation but of intelligibility; that it is properly understood that conquests in historical research are dependent on adequate theoretical concern while such constructions are constantly confronted with the raw material of the historian.

Sometimes it is remarked that historical materialism is hampered by inadequate "bourgeois" statistics and that categories in these terms do not serve the purposes which such marxism requires. A well known example of such responses is the problem of "verifying" the labour theory of value by applying a model which defines 'value' in terms of 'prices'. This example is illustrative in economics but not for the specific problems of historiography. There is no such thing as 'marxist primary research' and thus no specific tradition for marxists investigate sources which perhaps many 'bourgeois' historians have hitherto used as a raw material in their own research. In that respect historical materialism has played the part of a 'parasite' within the realm of conventional historiography. Primary research is a waste of time, it could be argued, when the aim is to develop a holistic view of history. The convenient method to let 'case studies' speak for the whole is also a problem of the same caliber.

It is necessary that the gap between the whole and its particles is bridged, not by logic only, but research too. Only conceived in that way historical materialism can stress its vitality.

What has this got to do with Iceland's history and the problem of this work? What I want to emphasize is that irrespective of what approach is primary - logic or research - both are indispensable simply because neither of these have been paid attention to among those interested in Iceland's modern history. This means in practice that a marxist inspired study must simultaneously hypothesize about central features of the development of capitalism in Iceland and plough through relevant fields in order to support or discard the hypotheses. After some considerations it was clear that the alternatives were few. As the reader will soon find out, the character of this work tends towards (empirical) research in the first instance rather than abstract model-building. Since a serious theoretical discussion about the origin of capitalism in Iceland is still lacking it should be clear that this work is not a forum for debate. Rather it should be considered as a beginning of a historiography which with regard to Iceland puts historical materialism in focus.

In this study the selected fields of research are intended to bridge the gap between Iceland's history in general and more limited subjects which could throw light on it. The criterium here was in some cases the availability of sources while in other cases the scanty sources prohibited conclusive studies for this work. The study of of Reykjavík's development is intended to bind together the local context with the nation in total. I must however confess that, considering the empirical leanings of this work, the search for sources in libraries and archives in Reykjavík was a great disappointment to me. Firstly, the state of the National Archives (Þjóðskjalasafn) in the field of modern economic history was disastrous, while the Reykjavík Archives (Borgarskjalasafn) were both

better organized and more useful to me. Secondly, a part of the relevant material which ought to be preserved in archives is still in private hands, and has up to this moment only slowly been made accessible for research. Thirdly, the lack of both resources and interest in sampling (statistical) material concerning Iceland's economic history is typical for the present state of knowledge in this field of study. The main interest of historians hitherto has been within the realm of personified politics, biographies and monographs of institutions.

The main source used in this work are the statistical publications, since the mid-19th century: *Skýrslur um landshagi á Íslandi*; *Stjórnartíðindi fyrir Ísland* (B and C); *Landshagsskýrslur fyrir Ísland*, and *Hagskýrslur Íslands* (Statistics of Iceland). These publications contained for example fishery statistics and population censuses, but in the latter case the information was complemented by more thorough statistics in the Danish *Statistiske Meddelelser/Tabelvaerk*. Since the preparation of many of these statistics have required time-consuming elaborations the procedure in cases of population censuses, prices and fishing vessels are explained in Appendices A-D. The second important sources were the contemporary newspapers, periodicals, and not least the printed records of the National Assembly (*Alþingistíðindi*) since 1845. The third category of sources is the flora of monographs and essays. The reading of these works often served as a substitute for the lacking statistical material besides the important purpose of providing the historical substance. The fourth category served this purpose too. The unpublished sources which eased the research were primarily: a) the various minutes of the labour unions in Reykjavík, and b) the material assembled in the Reykjavík Archives concerning the unemployment situation in the town, especially in the 1920s. Without these sources the procedure of the study would have been different.

Finally, since there exists no comprehensive work of Iceland's economic history in modern times this study has required extensive search for useful material. Therefore I haven't escaped the fate of writing a work with eclectic leanings. Without turning this shortcoming into a deed, I am convinced that this procedure will be justified if the other alternatives - of empty abstractions or qualified guesswork - are considered.

1.4. Disposition.

Apart from this introductory chapter the study comprises two main themes: Chapters 2-6 are concerned with Iceland's socio-economic system from the 18th and 19th century to the 1930s, with emphasis on the transitional era, after 1880. Chapters 7-9 are devoted to selected

social and material problems in the transition with regard to the working class.

In Chapter 2 pre-transitional Iceland is examined as a fairly stationary society where the ruling classes made repeated efforts to maintain it intact. The main traits of the "archaic" class-relations are presented in this chapter while the transitional era is treated in Chapter 6. The preservation of the system depended on a precarious balance between institutional factors and the way the natural resources were utilized. The close ties between farming and fishing constituted in this respect a persistent dilemma for the guardsmen of status quo.

The ensuing chapters, however, are intended to illustrate important elements in Iceland's transition from the stationary state as exemplified in Chapter 2.

Chapter 3 begins with the examination of the changing role of merchants in the economy, i.e. how they as aliens gradually began participating in the sphere of production as boat-owners. While this process continued and the commercial groups gained ground in the 19th century the urbanization process was accelerated. This process is in brief outlined within the context of the increasing mobility and migrations in late 19th century, culminating in mass exodus from farming, emigration to N-America and rapid urbanization. While sections 3.1.-3.5. deal with this on the macro-plane, section 3.6. exemplifies on the micro-level a simultaneous process of proletarianization and urbanization. It is also shown how seasonal work went beyond the limits of the farming community, also characterizing the urban occupations. Finally the chapter is closed with a study of Iceland's increasing dependancy on the foreign trade and also the concentration of population and industries to Reykjavík in the 20th century.

In Chapter 4 the focus is centred around the transition of the farming sector and in what way the excess labour force was transmitted into other non-farming occupations. The efforts to rationalize and improve the productivity of farmers went hand in hand with the exodus of farm hands and the establishment of new markets, both domestic and foreign.

In Chapter 5 the disposition is made in order to trace the dynamic pattern of class formation within the group of fishermen with regard to the means of production (fleet categories and fishing gear), their utilization during the year and location. The point of reference is the heterogenous composition of fishermen in times of rapid structural changes and the implications it had on the possibility of organizing the fishermen. It is of key importance in this study to investigate the material aspects of fishermen's class formation, especially in the era of the trawling industry. The major hypothesis, which this chapter serves to support, is that the fishing industry was the primary source of the transitional process towards capitalism in Iceland, in the same manner as the large-scale factory served similar

purposes in general, for example in Britain. In Appendix D the discussion about the fishing sector is among other things extended to cover regional aspects, with main emphasis on Reykjavík though.

It is evident - at least for Iceland - that nothing can replace the population censuses as a source about the total economic activities of the population. Other information is complementary, as for instance the fishery statistics. The social bookkeeping according to the population censuses 1855-1940 is presented in chapter 6 and examines the workforce (Reykjavík in particular and Iceland in general) along three main classification criterias: a) occupational division into sectors and branches, b) socio-economic structure where the work force is divided into seven categories, and c) division by sexes where the females have been paid extra attention. Although there is always some doubt about the accuracy of the census material it supports the drawing of conclusions in the long-term sense. The historical perspective in this way serves furthermore as a platform for more detailed surveys of the Icelandic class-society, thus preserving the intricate unity between macro-analysis and micro-cosmos. In Appendix A the presentation of the population censuses in Chapter 6 is explained with regard to the new classification principles used in this thesis while Appendix B contains extra tables showing the occupations in more detail for further studies.

By entering Chapter 7 (wages) we reach the domain of what might be labelled: Conditions of labour in the transitional period (chapters 7-9).

In spite of the scarce and unsystematic information about workers' wages in the period I considered it as an absolute necessity to present at least a towards of the wage development in the period concerned. The relevant groups in this exploration were those of seamen and unskilled land workers, but also the wages in farming were studied according to the assessed market price scales 1820-1914 (verðlagsskrár). Unfortunately, the sources about non-farming wages limit this investigation mainly to Reykjavík. In Appendix C the problems of the cost of living 1860-1940 are examined and presented as a foundation for deflated wages (real wages).

In Chapter 8 the emphasis on social policy serves the purpose of exploring the discontinuity in everyday life as the material basis changed. It provides an illustration of what was fundamental for the reproduction of the working population in particular and how the public authorities intervened in this process. The study objects are mainly two: Firstly, changes of social-policy making from the old poor-law attitudes with regard to new patterns of working class reproduction. Secondly, the seasonal character of work in combination with urban ways of living in the case of Reykjavík. This problem is simultaneously explored in order to show how the public and communal authorities and the leaders of the movement were confronted with unemployment as a distinct working class problem.

The last chapter (Chapter 9) examines the phases of working class organization from the fourth quarter of the 19th century to 1940. The main emphasis is on the development of the most significant organizations in Reykjavík. An attempt is made to locate the continuity and discontinuity of workers' activities in a broader social and economic context by aiming the main focus on only a few of these organisations. In that way the various forms of consciousness are linked to the long-term tendencies of the workers' organizations towards homogenization and autonomy from socially alien elements. Although the workers' parties are not treated systematically in this study it is argued that the motive power behind the foundation of the premature Workers Association in 1907 (Verkamannasamband Íslands) and thereafter of the more vital Federation of Labour (Alþýðusamband Íslands) in 1916 were both primarily expressions of the political goals of the labour movement.

Notes to Chapter 1.

1. This is discussed in Chapter 2.
2. A general conceptual framework is introduced in "Excursus". This is discussed in general terms by G.A.Cohen: Karl Marx's theory of history. A defence, p 198.
3. Although some other names may be added to the following list I mention only four of these authors: Þorkell Jóhannesson: Um rannsóknir í íslenskri atvinnu- og menningarsögu, p 20; Skúli Þórðarson: 50 ára starfssaga Sjömannafélags Reykjavíkur, p 10-16, 27; Heimir Þorleifsson: Frá einveldi til lýðveldis. Íslandssaga eftir 1830. (1973), p153ff; Ólafur Björnsson: "Þróun efnahagsmála á Íslandi 1874-1974." in Andvari (Nýr flokkur) XVI. 99. ár (1974), p 129-153.

Chapter 2

THE PRE-TRANSITIONAL SOCIO-ECONOMIC SYSTEM

The aim in this chapter is to discuss briefly the characteristic traits of the Icelandic socio-economic structure (1) in the period which preceded the era of modernization in the late 19th century. In accordance with the periodization in Chapter 1 the line is drawn in the 1880s, primarily on the basis of the profound changes in the whole appearance of the Icelandic society, i.e. the social formation referring to the economic structure.(2)

2.1. The intimate relationship between production and the household.

The basic institutions of the old farming society were two: the farm as a production unit and the household family for the reproduction. The strict measures to preserve the unity of these elements make every attempt of dealing with them separately an adventurous task. Among the apparent unifying features was the rural character; the farms were sparsely distributed geographically and not clustered into villages, so widespread in Europe. The remote farms constituted a defining element of the family, which in its turn was the solid basis on which the relations of each member to the society depended.

There were ca. 4000 legally assessed farms (lögþýli) in the country and their number was surprisingly stationary from one century to the next.(3) The size of these farms varied considerably and the common yardstick to measure the size - and value accordingly - was the amount of cattle which could be raised on the land.(4) The assessed farm was a separate taxation unit, irrespective of who the owner was, although some were exempted from taxation. The land rent followed the farm's size, but if the farmer also hired cattle he had to pay extra for these (leigukúgildi). Only to a certain extent did the assessed farms exist as separate production units. Although it is not adequately investigated the number of farming units most probably fluctuated around the level of 6000 in the 18th and most of the 19th century.

An interesting peculiarity about the assessed farms was their position within the commune (hreppur), which was the smallest administrative unit and should consist of at least 20 assessed farmers.

The parish was a later phenomenon with boundaries almost identical with those of the commune, but differing in other respects. The two primary functions of the commune was: a) to organize the collection of the sheep from the highland pastures in the autumn, and b) to organize the poor-relief.(5) The preservation of the commune system depended heavily on a stable social backbone like the assessed farm, and all households and individuals had a definite status within that system. The farmers, however, were in socio-economic terms a heterogenous group depending for the most on their relationship to the land they possessed.

Broadly speaking the farms were divided into two major categories: a) independent farms (heimajörð), and b) dependant or outlying farms (hjáleigur). The dependant farms were always parts of the assessed farms, even if the geographical boundaries in many cases were unclear; the communal tributes were decisive in this respect.(6) Economically there were more factors which united these farming categories than separated them, and as we shall see later on neither category was markedly owner-occupied, since the overwhelming majority of the farmers were tenants. Both the independent farms and the outlying farms were primarily pastoral farming units with separate households. The major difference, besides the communal duty, was the size of the farms, which surely had far reaching consequences in a country where a large portion of the population was constantly struggling on the margins of sustenance.

Often the dependant farms were only temporarily occupied; they tended to prosper in good periods and vanish when times turned bad. Of course, this had effects on the family-system in the country and the ability of individuals to constitute a family and raise children. In accordance with the strong regulations inbuilt in the socio-economic structure the institution of marriage was considered a serious matter by the authorities in the pre-transitional period. To establish a family was in principle the privilege of those couples which could sustain a household on their farm. Among the outstanding features of the Icelandic pattern of marriage was the high age in which people generally married and the relatively few couples which gave birth to children. Households then were composed otherwise than nowadays. It was a world where production, reproduction and social security (7) constituted the defining elements. The family in the 18th and 19th century comprised a husband and a wife, their adolescent children, and eventual/plausible foster children and relatives. Finally, the bulky group of workpeople (vinnuhjú) shared their lives with the basic family. For convenience we call this intimate unity a household though it could furthermore be divided into a family-household and the so-called one-man-households. The household excludes the workpeople not in service (lausafólk) and the paupers.(8) It should be noted that there are strong reasons to equate the family with the household in pre-transitional Iceland.(9)

The explanation nearest to hand was the close ties between the farmers' children (under ca. 15 years old) and the high rate of workpeople between 15 and 29.(10)

The golden rule in the pre-transitional era was that the household was simultaneously focused on economic co-operation, maintenance and upbringing of individuals which only to a limited extent were related by family ties. The larger the household tended to be the higher the proportion of non-relatives who were kept among the workpeople, especially at the farms of: a) the well-to-do, b) the civil servants, and c) the clergymen (the two latter constituting the "educated classes").

The Icelandic household was thus quite large. It was not so because of a large number of children raised; rather the size was ultimately due to the large proportions of domestic servants or workpeople, which in the 19th century amounted to 1/4 of the total population. The farming sector thus kept a large group of people in an ideal age to marry, but due to the nature of the socio-economic system they were effectively prevented unless they could sustain themselves on their own farm. Generally, the status of the domestic servant was synonymous with celibacy.(11) In 1703 only 1% of the work servants were married and a great proportion of the remaining servants never entered marriage. "The prerequisite for establishing a family was thus access to land. Through this measure, society had a very effective preventive check regarding population growth."(12)

Apart from the paupers the picture is not completed unless we introduce the households which surpassed the aforementioned principle; the cottars and the lodgers. As we discuss more thoroughly in Chapter 8 these two categories had common traits with regard to the old-time poor law legislation as it became crystallized in the communes. Both groups were households, primarily consumption units without necessary access to land, and their existence depended on the acceptance of the assessed farmer in question and other members of the commune. A farmer had no right on his own to take a given risk and permit cottage dwelling or lodging on his land without consulting the commune members, which could easily suffer for the deeds of daring neighbours. Also, the law treated the cottars and lodgers alike as a riskful group, because of their frequent failures in sustaining themselves in difficult years. A failure could lead to a dissolution of the family by the communal authorities. The other method was to support these families, so the family could be preserved.

The major difference between cottage dwelling and lodging was that the former group was most common at the seaside, mainly as fishermen in the western parts of the country. Sometimes they had a small piece of land, perhaps enough for keeping one cow, but they worked primarily on the farmers' boats in the neighbourhood and sometimes on their own boats, in spite of the frequent complaints from

the well-to-do farmers.(13) Customarily the cottars had a family and some children, but no servants.(14) The lodgings on the other hand were usually close to the inland farms, often as a provisory residences for singles. In 1703 over 2/3 of all lodgers' household-heads were single with no children at all. Women constituted the majority of these singles but not in the units with children.

Table 2.1 Household-heads of cottages and lodgings by sexes in 1703. (Per cent)

	Cottars	Lodgers
Male heads	83,4	50,8
Female heads	16,6	49,2
	<u>100,0</u>	<u>100,0</u>

Source: Manntalið 1703. (Hagskýrslur Íslands, II, 21), calculated from table VII.

While the lodgings were an awkward corner of the farming society with questionable liberty, the cottages constituted a dynamic and consequently controversial element within the socio-economic system, and in particular with respect to pastoral farming. The independency of the cottages' work force vis à vis the farming sector was often a more frightful reality for the gentry than the independency from the means of production, the land. Indeed the fisheries were a permanent threat and efforts were taken to keep "free" labour under strict control by the farming community through legal means, as well as economic and commercial restrictions.(15)

There was furthermore a large number of people who hardly belonged to the households otherwise than as temporary poor-relief visitors: the paupers. Also there were workpeople not in service (lausafólk). These two groups did only in extreme cases constitute separate households, such as the farmers who were partly supported by communal relief (þurfabændur).(16) The paupers were a large category in pre-industrial Iceland, although they tended to fluctuate in number with the changing fortunes of the farming community.(17)

2.2. Land ownership.

Farming in Iceland rested basically on the raising of dairy cattle and sheep. With inconsiderable cultivation on home-fields the prevailing manner of raising cattle was pastoral farming which required extensive land use for grassing. The hay-harvesting, usually between mid-July and the last week of September, was foremost intended for animal-feeding during the hardest winter months. Whenever it was possible during winter the animals were grazed.

Besides the home-field the meadows were still in the 19th century an unsurpassed source for hay-making for the winter. Altogether, the "extensive" use of land at the farms coincided with an extremely low level of technology and organization of production. No noteworthy technological improvements in farming occurred until the 1860s with the introduction of the Scottish scythe.(18) In Chapter 4 we deal with the progress of farming in the transitional era.

Until recently it was almost orthodox to emphasize the bad state of old-time farming in Iceland in terms of low level of technology, insufficient for raising the farming population adequately.(19) In the modern economic literature concerning agricultural history this picture has been severely questioned and replaced by a view which underlines socio-economic aspects, especially property relations and other institutional factors.(20) In the Icelandic case we provide only hints to illustrate such central factors as the ownership of land.(21)

The best yardstick for measuring subsistence levels in Icelandic farming is probably the registered land rent, or the tax value of land which in its turn indicated how many cattle could be raised on it.(22) According to Björn Lárusson land in Iceland was in 1695 divided into three major categories as follows: crown property 16%; ecclesiastical property 32%, and private property 52%.(23) Private land, however, was concentrated to relatively few owners, most of them top officials and clergymen which constituted the wealthy landowning families.(24)

Of 8191 household-heads in 1703 there were presumably 15% who owned land of which ca. 80% exceeded the approximated subsistence level.(25) Hence, 85% of all farmers owned no land at all and by including farmers who possessed land near the absolute poverty the amount of farmers with no incomes from property was ca. 88%. The number of owner-occupants who also lived fairly well on their property (a property valued more than 12 "hundred") amounted to 2,3% of all household-heads.(26)

Obviously, land ownership was extremely concentrated; in 1695 only 1% of household-heads owned 45,6% of all private land or 23,6% of all land in Iceland.(27) Of these owners almost 3/4 belonged to the "learned classes"; clergymen, members of the National Assembly (Alþingi), bailiffs and other administrative officials.(28) Land ownership primarily meant a source of rent-income while actual owner-occupation, with the land owner taking possession of his property for own use was relatively rare.

A similar hierarchial structure may be found in the two other owners' categories, of the crown and church land. As regards the three owners' categories there was great cohesion between the rich owners of private land and those who held church and crown land as fiefs (klosturhaldarar and staðhaldarar). In spite of the rules of inheritance which tended to redistribute private land on many hands the wealth was in practice kept within a small circle due to inter-marriages among the well-to-do and their excellent social position to

accumulate private wealth for their own benefit.(29) This ownership had certain peculiarities: "Many owned only a part of a farm that was too small to support a family. They therefore either leased out their shares to others or rented the shares of the other owners of the farm, thus being able to support a household."(30) In the fishing districts this was even easier than in the countryside.(31)

Another interesting phenomenon was the mobility of farmers, notably the tenants, which frequently moved between places and even changed farming status. This was partly owing to the changeable number of outlying farms through the centuries. The dependant farmers or sub-tenants were usually petty farmers with a small piece of land who shared a portion of obligations put on the assessed farm in the form of land rent (landskuld) to the owner, tithe (tíund) and cattle hire (leigukúgildi). Presumably this was a device to squeeze more income out of the property, either for the benefit of the owner or the tenant, if the second collected it in the first instance from his sub-tenants.(32)

Often poverty was an effective barrier against subsistence farming among the tenants who did not own enough cattle. Farms were sometimes deserted because of lack of animals. The practice of cattle hire - sometimes with a rate of interest of 16 2/3% - became a widespread means to extract more income (other than land rent) by the landlord providing cattle for the tenant's farm: "The landowners kep cattle for which the tenant must pay cattle hire."(33) This was still so in the 1840s. Compared with the land rent the cattle hire evidently constituted an impressive portion of the levies on the tenants. It was therefore no wonder that the owners of land, drawing great resources from their land, simultaneously did their best to keep the poorer sections of the population from seeking the fishing districts. There it was possible to survive on a much smaller piece of land.(34)

In the 1780s the policy of the Danish state was to sell institutionalised land in Iceland to private hands. Crown land and the bishops' sees were sold mainly between 1785 and 1805 and 1833-47. The manifested argument was that owner-occupancy supported economic improvements.(35) In spite of land speculation of the well-to-do this new opening had undeniably some decentralising effects. In 1861 about 74% of all land was privately owned, while 11% was crown land and 15% church land.(36) From being ca. 4% in 1695 owner occupancy had increased to 17% in 1842, while in 1930 58,8% of all farmers were owner-occupants, mostly due to sales of state land in the years 1908-25.(37) The land reforms in 1905 and 1907, which authorized the state to sell national farms and church farms on favourable terms for the buyer, did obviously promote owner-occupancy.(38) This modification was often considered the outcome of accumulated resources within farming, mainly from the export of living animals and thereafter of mutton and lamb, which gave the farmers the unusual

opportunity to gain real money currency. The lack of liquidity previously was often claimed to be the worst enemy of modernization and rising free market economy.

In the late 1920s it was pointed out in National Assembly discussions that the conditions of the leasehold farms were generally much worse than those of the owner-occupied farms. Also the length of leasehold affected positively the conditions on the farms.(39)

2.3. The major socio-economic groups in the farming society.

The principles of classification on which the old social legislation rested were based primarily on possession (not necessarily ownership) of a given minimum of valued property or a means of living. The criterias of possession were usually drawn on a line which covered the broad spectrum of subsistence capabilities; from the well-to-do to the working poor. Table 2.2. separates three distinct categories of the work force: subsistence-"farmers", semi-subsistence-"farmers" and the dependant labourers. Secondly, the classification rested on the type of "farming" with respect to animal husbandry and fishing. The proper terms for this distinction in Icelandic were "sveitarbóndi" and "sjávarbóndi" (or "útvegsbóndi"); literally meaning: country-farmer and seaside-farmer respectively.

Table 2.2. The main established criterias of socio-economic distinction in pre-transitional Iceland.

Levels of subsistence Mode of living	Subsistence	Semi- subsistence	Dependant workpeople	Paupers
	(1)	(2)	(3)	(4)
Animal husbandry	Country farmers	Lodgers	Workpeople in service	a)in receipt of communal relief b)apportioned among the households
			Seasonal workpeople, labourers not in serv- ice	c)Vagrant beggars
Fishing	Seaside farmers	Cottagers		

The old distinction was instrumental for the purposes of dividing those of the population who could sustain themselves (columns 1-3) from those needing help from the commune or from relatives (column 4). Each of these groups had given rights and obligations, but had unequal opportunities to live up to them. The most stable and customary relationship prevailed between farmers (including many of those on outlying farms - "hjáleigubændur") and their workpeople in service, the domestic servants. This relation was an "ideal" one in several aspects. Firstly, it guaranteed rather constant labour supplies for the farmers, who instead warranted the well-being of the domestic servant in case of illness. This system was to prevent the increase of paupers, beggars, etc. Secondly, it preserved the existing relations of property in unchanged proportions; the number of production- or farming units was held relatively constant. Thirdly, it was an effective barrier against marriage of poor people without necessary means of living - the domestic servants were almost exclusively single. Fourthly, the accessibility of domestic servants was the foremost guarantee of increased wealth within the farming community.

Various circumstances were to undermine these ideals of social stability in the past centuries; not only the existence of paupers, but also of some of the groups which belonged to the work force. In the first hand we refer to the lodgers (húsfólk) and the crofters (þurrabúðarfólk), and secondly to the workpeople not in permanent service (lausafólk, kaupafólk, dagvinnufólk). The common denominator for these groups was their mode of subsistence, close to the borders of sustenance, and their lack of residence and consequently a non-possession of land.(40) They were usually not married and dwelled provisionally where work was found, mostly near the seaside.

The lodgers and crofters (housepeople) were usually regarded as belonging together, even if they had different occupations. Their common traits were so similar that they deserve to be treated simultaneously: Firstly, they were in charge of own households (in which the kitchen drew the demarcation line) in a hut or an out-house, but did not have grass-land separated from the farmer/landlord; secondly, they had households and a family, but were not masters; thirdly, the relation between the housepeople and the landlord was a rental relation so that when farms changed owners the cottars and lodgers were included in the transactions; fourthly, the landlord had to seek the permission of the communal authorities in order to have housepeople on his possession.

The combination of circumstances which allowed family-supporters to live without grass-land made these people often very vulnerable to economic disasters bringing them to the state of pauperization and loss of their relatively independent status. In the most disastrous

cases it could lead to the dissolution of the family, and even to hunger and starvation-death.

The number of the housepeople is uncertain but it is pretty likely that it fluctuated in contrast to the relative invariability of the assessed legal farms. It is no wonder that the pre-capitalist social legislation and measures greatly concerned these marginal population categories: the lodgers, the crofters and the workpeople not in service.

"According to Þíningsdómur, of 1490, the minimum size of a household was the value of three cows. This law was still valid during the 18th century. If a person could not acquire a property of that size either through acquisition or rental, the normal alternative was to become a labourer in service. And, as times were not always normal in Iceland, the real alternative was sometimes to become a vagrant or a pauper." (41)

In 1808 the minimum size of the cottars' households was decided 1 cow or 6 ewes. (42) With the act from 1863 (Tilskipun um lausamenn og húsmenn (43)) the cottars and lodgers were obliged to attain permission from the local authorities to settle down. However, appealing to higher instances was allowed for, in harmony with the liberation efforts for the right to move more freely than previously. (44) Also, paragraph 14, including households with less than the value of one cow, signified the real power - or rather lack of power - of the authorities and the well-to-do farmers to hold lodging and cottage-dwelling in check. In 1887 a renewed bill was passed in the National Assembly in order to prevent rural cottage dwelling. It was one of the last efforts of the farming representatives against the liberalization of labour, but it did not bring about any substantial changes from the 1863-Act. The cottage-dweller was, however, obliged to cultivate a minimum area of land within 7 years. As we shall remark more thoroughly in the chapter dealing with social policy the idea was to prevent a further division of labour between fishing and farming. (45)

In the period 1783-1863 the workpeople not in service (lausamenn) were made totally illegal, although in practice their existence was hard to uproot. Previously a property of 5-10 cow-values was the minimum requirement for such free status. The legislation concerning labourers not in service was the one side of the coin vis á vis the labourers in service. The term "lausamaður" literally meant a man exempted from the duty to serve a given master or masters a maximum contract length of 12 months. The requirement in 1863 was either a minimum of 5 cow-values or a given age or years in service. The licence was expensive, one cow-value for men and half that for women.

In 1893 the old obligations of the bondage-law (vistarband) was practically abolished and consequently with it the concept of

"lausamaður" disappeared. We can say that from then on free labour was allowed without any practical restraints. This did not mean that the labour force was freed from the problems of everyday-life; it signified first of all a reorientation in social legislation on the borders between pre-capitalist relations of production and the advance and crystallization of bourgeois civil rights.

2.4. Demography.

There are several factors in Icelandic demographic history which deserve specific interest. Population registrations were introduced in the beginning of the 18th century and, until 1890 the fluctuations in both birth-rate and death-rate were dramatic. The death-rates of children under 1 year of age (infant deaths) were extremely high. Mortality fluctuations, especially in the 18th century, were the result of famines and epidemics. According to the first population census, taken in 1703, the Icelanders were 50.358. Also, there are good reasons to believe that the population in the preceding decade had been declining due to starvation.⁽⁴⁶⁾ In 1707 a small pox epidemic killed a further one third of the population. Prior to the 1790s the country was kept within a state of demographic crisis with drastic variations in the population. After 1703 the population did not reach the 50-thousand level until the 1820s.

The birth-rate under these circumstances was clearly marked by abrupt mortalities in two ways: Firstly the uneven distribution of the population into age-groups (cohorts) affected the age-pyramid over many life cycles with a wavelike birth-rate pattern as the result. Still in the mid-19th century the age structure bore marks of the mortality crises of the 18th century.⁽⁴⁷⁾ Secondly, after the major mortality crises were over the birth-rate went successively upwards as if to compensate the previous losses. If we assume that many household-heads had died in these catastrophes they were replaced by couples starting their marriage-career. In the 19th century the absence of dramatic mortality crises combined with the falling rate of infant-deaths (under 1 year) constituted important factors explaining the continuously rising population. The only noteworthy factor which halted the rising population was the wave of emigration to North-America, foremost in the 1880s.

Within the prevailing institutional framework of the farming community the population growth prior to the 1880s gave a social echo in several ways: increasing pressure on land, larger households in the farming districts, growing proportion of domestic servants, downward social mobility, declining real wages in the 1850s to the 1870s, declining rate of marriage in the same period; or, in general, increased pressure on the resources available within the traditional boundaries of pastoral farming. While the previous crises were mainly

demographic crises solved by Malthusian checks the two most notable crisis-periods in the second part of the 19th century (1856-9, and 1882-87) were characterized by resources scissors crises. A sheep epidemic in the late 1850s and unfavourable climatic conditions in the 1880s resulted in new responses to the problems of the farming community, such as the onset of urbanization, expanding fisheries combined with improving fishing techniques, emigration abroad, and not the least the general social distress well signified in the disregard for the obligation of domestic service. For the sake of simplicity we can state that with the breaking up of the prevailing institutional framework in the period 1830-1880 the early modernization process was launched.(48)

2.5. Regional aspects of the economic structure and the character of the prevailing modes of production.

Broadly speaking the pre-transitional economic structure in Iceland was based on two interrelated modes of production where the key-factor was the disposition of a mobile but controlled labour force. With minor interruptions the social relations within the farming society continued to dominate and regulate the social form of production (social formation) in general. This applied particularly well to the utilization of the labour sources in the country; the needs of the farming sector should have priority over the fisheries when there were conflicting interests. The potentials of conflict, however, depended on a whole complex of factors which in the long-run affected the framework in which the forces of production operated; social, economic, regional, technological and ecological as well. Accordingly, the cumulative changes of the forces of production were highly dependent on the location and utilization of the labour force within this dual framework of production relations. Gísli Gunnarsson notes for example that "the paradox of Iceland's ecology is the biological riches of the sea and the relative poverty of terrestrial vegetation."(49) But, there were very strong institutional factors which regulated the utilization of these natural resources. Furthermore, the resources were unevenly accessible with regard to seasons and regions.

It should be emphasized that this of course poses a serious analytical problem of how to explain causality in terms of exogenous and endogenous variables. The course taken here is to stress the endogenous and institutional aspects in accordance with various studies inspired by historical materialism.(50)

According to Skúli Magnússon the population in 1703 was by economic activity divided into three main categories:

Table 2.3. The occupational structure in Iceland with regard to fishing and farming in 1703. (Per cent)

Farming only	69%
Farming with fishing in summer	15%
<u>Farming</u> with fishing in summer and winter	16%
	100%

Source: See note (51)

Farming was thus the mainstay of the whole population in some way or other, but 31%, and very probably more (52) nevertheless derived a part of their income from inshore fisheries. This division corresponded to three typologies of eco-systems which were strongly related to the specific relations of production and in turn to the utilization of labour.

Firstly, the regions with farming as the sole occupation were usually inland regions far away from the main fishing sites. Here, the south-coast (except Vestmannaeyjar) and some inland districts in Vesturland and Norðurland were prominent. The monotonious pastoral farming was the foremost, though not necessarily the only way to survive and the main products were meat, butter and woollens. The division of labour was confined to the usual patriarchal relations within the household depending on age, sex, access to domestic servants, etc.(53) This state of limited division of labour, both with regard to the unit of production and the social division prevailed in these regions during the 19th century. The censuses show that the number of fishermen there was both in absolute and relative sense very low.(54) The relations of significance between the farming regions and those with fishing as a partial mainstay existed on two levels: a) relations through barter trade, usually where dried fish was changed for products like butter or woollens (55); and b) the effects of the seasonal migrations of labourers to and from the temporary fishing settlements in times of slack seasons at home. In this respect the farming regions preserved great labour-potentials for the future fishing towns in the late 19th and early 20th century.

Secondly, there were regions which were predominated by seasonal fishing, usually during low season in farming. No part of the country was wholly dependent on fishing, except probably the south-west part of Iceland, or more exact: Vestmannaeyjar, the outer parts of Snæfellsnes and some parts of Gullbringusýsla. Farming and fishing coexisted as complementary occupations in conformity with the key ecological factors in these areas. The hay-harvesting season in July-August demanded all available labour resources in the country. Therefore, there did not occur any "summer-seasons" of fishing in the pre-transitional era when the rowing boats predominated.(56)

During summer the cod migrated to the north and north-west of Iceland and the south-west was therefore not troubled with the dilemma of how to utilize effectively the labour sources with respect to the two basic occupations and the prevailing levels of technology and division of labour. In the "winter season" (2. Feb. to 11. May) the labour migrations to the south-west coincided with the cod migrations while the demand for plain farm work was minimal. After the season the bulk of the part-time fishermen returned to the farming occupations.

The regions in question were characterised by two indispensable elements of the socio-economic structure; namely seasonal occupations divided between pastoral farming and fishing, and migrating work during high season in fishing. This phenomenon I prefer to call occupational dualism, which can be conceived as a special variation of the term J.Prattis uses: "occupational pluralism".(57) In terms of social dynamics this system preserved some of the key-elements which eased the transformation process in the late 19th century from the precarious system of pastoral farming towards the capitalist mode of production.(58) Also the preservation of the old socio-economic structure depended on the ability of the landowning gentry to prevent independent fisheries and consequently a social division of labour.

Thirdly, there were farming areas which admittedly had access to the fish resources, but mainly during the critical summer months, from ca. April to September and even longer. These were primarily the northern coastal areas from Barðastrandasýsla in Vestfirðir to Suður-Múlasýsla in Austfirðir. The fishing was limited to April to the middle of July (spring-season) when the shark-liver oil and the cod were the most valuable products. Although there were numerous "fishing stations" (ver) in this area (59) it is interesting to note that besides the absence of real fishing towns the registered fishing population was insignificant in the population census of 1703.(60) This situation changed markedly in the second half of the 19th century. Very likely the combined fisheries and farming in the north during summer were an attraction for workpeople in other regions. Hay-harvesting was still in the 19th century a competitive source of living in the pre-mechanization era.(61) During harvest the rowing-boats were hardly used except for fishing for daily consumption.(62)

In general, these were the three variations which determined the character of the production process. In common they hardly developed any clear social division of labour, but on the other hand ecological conditions and the mobile labour force in combination constituted great potentials for economic growth, especially in the two last regions.(63)

2.6. Trade and the economic system.

Iceland has always been heavily dependent on the exchange of products with foreign countries. The shortage of natural resources (apart from some land for livestock-farming, the waterfalls and the prolific fishing grounds) has characterized the Icelandic economy and made it dependent on foreign trade, specialized in the export of fish products as the primary staple since the 14th century.

But the sheer necessity of foreign trade did not imply that the primitive economy became integrated into the world market in the 17th and 18th century. The existence of institutional factors, such as the Danish monopoly trade, combined with the efforts of the native landowning/ruling class effectively prevented any major technical and economical improvements. This social and economic framework did not alter until the late 19th century with an expanding world trade and increased interest in Iceland as a part of the world economy. Capitalism as a system of generalized commodity production was on a march.

The mere existence of two rivalling systems of exploitation (or modes of production within a single social formation) in the Icelandic 19th-century economy constituted the cornerstone of the potential social and economic conflicts between the two main exploiting classes, namely the landowners and the merchants (originally Danish but successively becoming Icelandic in the 19th century). As an intermediary group the well-to-do fishermen/farmers formed a rather contradictory element within this socio-economic structure, although a dynamic one.

During the earlier centuries the economic activities of the (then foreign; Danish, English, German, etc.) merchants were so restricted that the conservative socio-economic system was not seriously undermined. Here, we refer to the social system and its reproduction:

"Foreign trade was considered an alien element to the Icelandic modes of production and naturally it was in the hands of aliens, there were no Icelandic merchants from the high Middle Ages till the 19th century. Various measures were taken to eliminate or at least to minimize the effects of foreign trade on the Icelandic economy. Fluctuations in foreign prices were through administrative and traditional restraints kept away from internal prices. Hence there were two different price systems, one for foreign trade and another for internal trade."(64)

In principle the prevailing archaic system in Iceland opposed the penetration of the merchants' commerce capital into productive use, for example in the fisheries. "Thus no part of the trade profits could be plunged back to Iceland."(65)

After 1787 the institutional and legal restrictions on the operations of merchants' capital gradually withered away; a process

which culminated in the free-trade era in 1855. In 1787 the monopoly trade was abolished and all subjects of the Danish crown were allowed to trade. The period from then on until 1855 was associated with "restricted trade" since foreigners were still prohibited to trade in Iceland; never mind that they after 1816 were permitted to operate pro forma, but obligated to pay high licences and use Danish money.(66) In 1836 the rights of the so called speculators ("spekúlantar") or travelling merchants were extended; first of all they were able to operate on more equal terms vis à vis the ordinary merchants.(67)

The previous restrictions prohibiting the merchants to use Icelandic labour power in the monopoly era were based on the underlying assumption that there existed practically no domestic middle class of craftsmen and commerce people in the country. In the first decades of the "restricted trade era" we can point out three factors which deserve special attention:

1. The freedom of the Danish merchants did not lead to any significant investments on their behalf to improve the conditions of fishing in Iceland. The available information concerning this subject show that government subsidies to encourage fisheries on the commerce vessels ("kaupskipaútgerð") during summer - between arrival to Iceland and return to the motherland - gave no noteworthy positive results.(68)

2. The same can be said about the continuing colonial basis of the Icelandic foreign trade; it was still in 1845 not seriously undermined, as Jón Sigurðsson reminded the members of the National Assembly in a speech propagating free trade. The principle of excluding foreigners from the Danish colonies was still in force.(69)

3. The fact that a tiny group of Icelandic merchants-fishermen was taking its first steps in surroundings still dominated by Danish merchants must be taken with a grain of salt: Almost all of them were more or less in the services of the Danish commercial interests. Some of them, however, became symbols of enterprise and private initiative in Iceland, such as Bjarni Sivertsen in Hafnarfjörður, Ólafur Þórðarson Thorlacius in Bíldudalur and his son Árni Ó. Thorlacius, and Guðmundur Scheving in Flatey.(70) These persons were all associated with the genesis of fisheries operated from decked but rather small sail vessels, but their efforts were performed sporadically, mostly isolated from the socio-economic transformation occurring in the second half of the 19th century.

The Icelandic merchants, according to Þorkell Jóhannesson (71) were incapable of achieving any real independency from the Danish commercial agents which provided them with trade credits and liquidities ("vörulán, veltufé") and were therefore able to bring to themselves a good portion of the profits.

It is important not to confuse the genealogy of the decked fishing vessels owned by either merchants or rich fishermen-farmers, with

the continuous and widespread utilization of these vessels in the second half of the 19th century. Here, we have to take into account the changes in circumstances which drew the line between an archaic socio-economic structure and the prerequisites for economic growth. This would imply that we must take into account the total framework of the economic system in the 19th century and not only the colonial aspect or the penetration of foreign trade capital into Iceland.

1. After the Napoleonic wars until the 1850s the farming society experienced long-term improvements which plausibly contributed to the stability of its major groups. On the other hand the absence of any serious mortality crises in this period successively led to increased population density on the farms. The number of domestic servants increased relatively and the phenomenon of downward social mobility became more evident. These tendencies did not burst out until the 1850s when the farming sector experienced one of the two eras of depression which occurred in the second half of the 19th century.

2. The expansive era of farming, ca. 1814-1850, occurred simultaneously with a booming phase in the main subsidiary occupation, namely the part-time fisheries, symbolised in the manifested growth in the number of rowing-boats in that period. Ownership, particularly of rowing-boats in the smallest category, 1-3 manned, was especially common in Gullbringusýsla.(72)

Although it is not adequately investigated, one can hypothesize about the simultaneous absence of decked sail vessels in that area. Gils Guðmundsson remarks that in Faxa-bay there were very scanty accounts of such vessels in the period 1840-1860.(73)

In both farming and part-time fishing the low level of technology prevailed and characterized the country in general in the first half of the 19th century.

3. Although the relationship between business cycles and socio-economic changes is without doubt problematic we can note that before 1848-50 the prices of Iceland's main export-articles remained stationary.(74) In the booming era of the European economy, starting in the 1850s, the high prices gave echo in the fishing sector, especially in Vestfirðir and Norðurland where shark-liver oil became typical for this epoch. In terms of market integration the Icelandic economy experienced in the first round an opening towards the markets on the European continent, mainly Denmark, but also towards Great Britain and Spain. In this respect the preconditions for industrialization and modernization were promoted by exogene factors although the causal relations are very complex. The problem is to integrate these elements within a total perspective.

In the second round, or after 1870, the expansion of domestic markets, commercial activities and urban areas became markedly prominent. This second phase was highly associated with the rising of

a native class of merchants and entrepreneurs, frequently with the same person holding both titles.

2.7. Summary and conclusions.

In this chapter the main underpinnings of pre-transitional Iceland were explored. The prevailing social and economic institutions were presented as a framework of sustenance. It was remarked that this framework was preserved on the basis of landownership which in its turn restricted the possibility of effectively establishing households. In that way the reproductive functions of the families were tied to a given property structure and hence to access to land.

It was pointed out that the property of land remained largely unchanged in terms of legal farming units (ca. 4000 assessed farms) and that their concentration on few hands was preserved until this century. The major owners of land since the 16th century reformation were the crown, the church, and a small group of wealthy aristocracy. They were in turn receivers of land rent and cattle hire, and as long as this rental system could be maintained the social stability was a synonym for social and economic privileges. I therefore assume as important for the continued study to investigate the dynamic elements of this pre-capitalist system.

The fisheries take the central place in this respect and are related both to a) the conservative character of farming and, and b) the commercial interests as a socially destabilizing factor. The riches of the sea in contrast to the poor resources on land created tensions which challenged the customary utilization of the labour of the poorer sections of the population. While the landed aristocracy accepted fishing on a seasonal basis it was allowed only on terms dictated by the requirements of farmers' need for labour power. Hence, the restrictive measures in pre-19th century Iceland concerned both the prohibition of free labour and the permanent dwellings of merchants, apart from resting heavily on a mistrust in technological improvements. Unless these factors were freed from institutional restrictions social division of labour and urbanisation remained crippled.

In the following chapters we proceed from this fairly static society into the realm of Iceland's transition, in order to study how the discussed premises of change played their parts. In Chapter 3 we begin by examining what role the so called external factors - in the form of merchants' capital and foreign trade - played in the process which undermined the pre-capitalist class basis in Iceland and laid the foundation for a new.

Notes to Chapter 2.

1. Here, I refer to the relatively stabile elements in a social system. By using the term "socio-economic structure" in the marxist sense I mean the combinations of a base (or economic structure) and superstructure whose character is explained by the nature of the economic structure. See G.A.Cohen: Marx's theory of history, a defence, p 216ff.
2. Social formation is conceived as a conglomeration of different modes of production in society.
3. According to the land registers in 1695/97, 1759 and 1861 the respective numbers were: 4033, 4252 and 4348. See Björn Lárusson: *Íslands Jordebok under förindustriell tid*, p 25. This level - it is belived - prevailed since the 11th century at least. Ólafur Lárusson: *Byggð og saga*, p 36; Gísli Gunnarsson: *Monopoly trade and economic stagnation*, p 13.
4. Björn Lárusson: *The old Icelandic land registers*, p 32.
5. For a detailed account in a long-run perspective since the settlement see Lýður Björnsson: *Saga sveitastjórnar á Íslandi*, vol. 1.
6. Björn Lárusson: *The old Icelandic land registers*, p 29f. A third possibility was the so called half-farm (*hálfenda*) when the "communal duty was divided equally between two farms". *ibid*, p 29.
7. These aspects are furthermore discussed in Chapter 8.
8. In the 1703-census the paupers were usually enlisted separately for each commune but not according to their temporary dwellings. See *Manntalið 1703* (Population census in Iceland 1703; in *Hagsskýrslur Íslands II*, 21, p 20). The work people not in service (*lausafólk*) should accordingly be left out too.
9. Gísli Gunnarsson, *op. cit.* p 13.
10. Loftur Guttormsson: *Bernska, ungdómur og uppeldi á einveldisöld*, pp 96-132 *passim*.
11. In the Swedish farming society the terms "dräng" and "piga" included both an occupational status (*yrkesbeteckning*) and marital status (*civilståndsbeteckning*) in the 18th and 19th century. Chr. Winberg: *Folkökning och proletarisering*, p 52. That this distinction was valid for Iceland too is noted in the text.
12. Gísli Gunnarsson: *op. cit.* p 13-14.
13. For a descriptive account of the cottars' situation in pre-industrial Iceland see Þorvaldur Thoroddsen: *Lýsing Íslands*, vol. 4, p 330-32 and 346-49.
14. *Manntalið 1703* (*Hagsskýrslur Íslands II*, 21), Table VII; Indices of this are to be found in the 19th century population censuses.
15. According to Gísli Gunnarsson Denmark's monopoly trade in the era 1602-1787 was an example of how commercial interests could operate in conformity with the preservation of the old landowner aristocracy in Iceland. *Op. cit.* p 175f.
16. *Hagsskýrslur Íslands II*, 21, p 22ff. This difference in Reykjavík is discussed in Gísli Ág. Gunnlaugsson: *Ómagar og utangarðsfólk*, Chapter 3 and *passim*.
17. In 1703 the paupers accounted 15,5% of the nation, and it was an exceptionally high figure due to the catastrophes in the decades which preceded the taking of the population census. The ratio of paupers was registered in the 19th century 3,4% in 1840 and was highest in 1870 when 5,6% of the population were registered as paupers. (*Statistiske Meddelelser*, 3 Række, 12. bind, p 246.) Very possibly these figures in the 19th century are too low.

Furthermore, a registration of this kind becomes critical when not related to objective criterias or needs, instead of the practiced administrative criterias which equalled the number of paupers with the number of clients. Hitherto, no efforts have been made to put the Icelandic statistical data on test.

For an account of the inconsistencies in the existing statistical sources see Gísli Ág. Gunnlaugsson: "Millipinganeftindin í fátækramálum", in *Saga*, XVI (1978), especially pp 104-17.

18. Þorkell Jóhannesson: *Lýðir og landshagir I*, p 292ff; Magnús Jónsson: *Saga Íslendinga IX.1*, p 236ff.
19. F ex Þorkell Jóhannesson: "Landbúnaður á Íslandi 1874-1940." (1942), p 65-111.
20. Examples of how the institutional aspects are treated in the case of Sweden are Lars Herlitz: *Jordegendom och ränta*, especially chapters IV and IX; Gunnar Fridlitzius: "Population, Enclosure and property rights." in *Economy and History*, vol. XXII, 1:1979, p 3-37; for recent marxist inspired debate of a general European character see R. Brenner: "Agrarian class structure and economic development in pre-industrial Europe", which launched off a symposium with a number of contributions (*Past and Present* no. 70 (1976); no. 78 (February 1978); no. 79 (May 1979) and no. 80).
21. Here, I refer to the works of Björn Lárusson: "Valuation and distribution of property in Iceland", in *Economy and History* (1961); *The old Icelandic land registers* (1967), and *Íslands jordebok under förindustriell tid* (1982).
22. Björn Lárusson: *The old Icelandic land registers*, p 61 passim. The term "subsistence level" is here my simplification in order to draw parallelarities between value of a farm and the possibilities of sustaining on this farm only. As a general rule the required minimum of a farm was 3 hundred (equals a land enough for 3 cows) which in its turn was the legal side of the matter. However, this did not rule out the possibility of sustaining on less than these 3 hundred if for example the farmer had direct access to other forms of sustenance, such as fishing. In that sense the definition of "subsistence level" becomes instrumental: A farmer, who could sustain his family, lived above subsistence level - even if the "farm" was valued below 3 hundreds.
23. *Ibid*, p 60.
24. *Ibid*, p 373; also Björn Lárusson: *Íslands jordebok under förindustriell tid*, p 8.
25. This is calculated from tables on pp 73-5 and the text in Björn Lárusson: *The old Icelandic land registers*.
26. Björn Lárusson remarked that owners' occupancy in Iceland probably never became widespread. *Íslands jordebok under förindustriell tid*, p 8.
27. *Ibid*, table 24, p 74.
28. See note 24.
29. Björn Lárusson: *Íslands jordebok ...* p 8, 32; Gísli Gunnarsson *op. cit.* p 17.
30. Björn Lárusson: *The old Icelandic land registers*, p 72.
31. *Ibid*. See moreover in Appendix B.
32. *Ibid*, p 42.
33. *Ibid*, p 44. See moreover in Chapter 4, *ibid*.
34. *Ibid*, p 67.
35. Björn Lárusson: *Íslands jordebok ...* p 41. Cited in *Lovsamling for Island*, VI, p 453.
36. Björn Lárusson: *ibid*, p 41.

37. Björn Teitsson: Eignarhald og ábúð á jörðum í Suður-Þingeyjar-sýslu 1703-1930, pp 146-54.
38. Ibid., p 148f, 172.
39. Ibid., p 149.
40. Helgi Skúli Kjartansson remarked that the situation of the lodgers (húsfólk) and labourers not in service (lausafólk) was an intermediate stage between farmers and domestic servants; not prepared to serve others the whole year, but unable to become farmers. Vesturfarir af Íslandi (unpublished), p 201.
41. Gísli Gunnarsson: op. cit. p 21.
42. Isl. lovs. vol.7, p.208; see also Þorvaldur Thoroddsen: Lýsing Íslands, vol. 4, p 346.
43. Lovsamling for Island, vol. 18, pp 544-557.
44. Ibid.
45. Alþ.tíð 1887, A 547.
46. Þorsteinn Þorsteinsson: "Manntalið 1703" in Andvari, 72 (1947), p 28, 37-41; J.Hajnal: "European marriage patterns in perspective" p 137.
47. Tölfræðihandbók 1974, (Hagskýrslur Íslands II, 63) , pp 8-13. The period 1741-1860 covered 4 birth-rate cycles with an average of 29 years. This figure coincided with the high age of marriage which usually set off a process of intensified births by these women. See furthermore in Helgi Skúli Kjartansson: "Spáð í pýramíða; um mannfjöldasögu Íslands á 17. öld." in Afmælisrit Björns Sigfússonar, p 133.
48. With the general term of modernisation I want to emphasise the delicate process of social transformation, including such factors as industrialisation, urbanisation, secularisation, political liberalisation, etc.
49. Gísli Gunnarsson: A study of causal relations in climate and history", Meddelande från Ekonomisk-historiska institutionen, Lunds Universitet nr. 17, p 14.
50. E.Hobsbawm: Industry and empire, p 37; Gísli Gunnarsson, ibid.
51. Manntalið 1703 (Hagskýrslur Íslands II 21), p 17-18; Skýrslur um landshagi á Íslandi II, p 64-5. Even if the census noted 1728 persons having other occupations than farming (ex: clergymen and principals of poor-law parishes) they were nevertheless farmers mainly and included as such in the main tables published. The social division of labour did hardly exist.
52. See Chapter 5 and Appendix D, which deal with the fishing fleet and man-power capacity.
53. Cf., E.Terray: Den historiska materialismen och de 'primitiva samhällena', p 20-23.
54. We leave aside for the moment the problem of underrepresentation of fishermen in the 19th century censuses.
55. Domestic trade was practiced mostly outside the channels of foreign trade, and henceforthly the goods did not pass through the danish merchants excepts in exchange for imported goods.
56. Lúðvík Kristjánsson: Íslenskir sjávarhættir vol. 2, p 367, 485-6.
57. "A considerable proportion of the productive members of peripheral populations exchange their labour power for a wage either on a seasonal or temporary basis, or even on a permanent cycle of work that permits them to spend only part of every year in their home community. In this manner migratory labour and occupational pluralism are different consequences of a similar cause. They also constitute a particular kind of structural tie with the wider economic system; a functional expansion if and when it should occur." J.I.Prattis: "Modernization and modes of

production in the North Atlantic: A critique of policy formation for the development of marginal maritime communities." in *The American Journal of Economics and sociology*, vol 39, 4:1980, p 310-11.

58. As far as the farmers did introduce new fishing techniques into this production system we can speak of technological innovations as an endogene variable. But the sphere of world trade is here indispensable.
59. Lúðvík Kristjánsson: op. cit. p 480, see also figure 1, p 30-1. The author enlisted at least 326 fishing stations/sites in Iceland.
60. See Manntalið 1703 (*Hagskýrslur Íslands II 21*), for ex. Table 1.
61. Böðvar Jónsson: "Þettir um kjör verkafólks á síðara hluta 19. aldar." in *Andvari* (1953), p 63-80. and Lúðvík Kristjánsson: op. cit., p 367ff.
62. Lúðvík Kristjánsson: op. cit., p 367ff. Here Austurland (East-fjords) at the turn of the century is a good example.
63. "The greatest difference between the two regions (and the greatest justification for this simplified division of the country) lies in the economic aspects of ecological systems. With respect to the prevailing technique and the division of labour in the country in the old times, the cod fisheries were a good complementary factor to farming in the south west but not to farming in the north east except on a very limited scale. The most important cod fisheries in the south west were during the winter season when the cod concentrated in the warm Irminger waters for spawning. This was the time when farming could not occupy the labour force sufficiently. During summer the cod migrated mostly from that area, to the colder waters in the north and east for feeding. But summer was the busy season to practice summer fishery. First during the late 19th century fishing began to develop separately from farming and the riches of the waters off the Icelandic north and east were used by the natives for the first time on a large scale. First then in Iceland a labour force had come into being that had "cut the umbilical chord connecting it with the land" but this was the prerequisite for all major economic progress in the country." Gísli Gunnarsson: A study of causal relations in climate and history; With a emphasis on the Icelandic experience, *Meddelande från ekonomisk-historiska institutionen Lunds Universitet*, nr. 17, 1980, p 22-3.
64. Gísli Gunnarsson: "Landskuld í mjöli og verð þess frá 15. til 18. aldar." in *Saga* (1980), p 47-8.
65. Gísli Gunnarsson: Monopoly trade and economic stagnation, p 28.
66. Þorkell Jóhannesson: *Saga Íslendinga VII*, p 394-5.
67. Ibid., p 398.
68. Ibid., p 228, 272-3, 401.
69. Jón Sigurðsson: *Hugvekja til Íslendinga*, p 90-2.
70. Þorkell Jóhannesson: op. cit., p 401; Gíls Guðmundsson: *Skútuöldin* (1977) vol.s. I and II, passim.
71. Þorkell Jóhannesson: *Lýðir og landshagir I*, p 234f.
72. See Chapter 5 and also Appendix D about the fishing sector and labour.
73. Gíls Guðmundsson, op. cit. volume III, p 11-12.
74. Magnús S. Magnússon: The price development and day-work wages in Iceland, 1820-1914. The assessed market price scales of 13 selected price series. (Stencil), Lund, 1983.

Chapter 3

ASPECTS OF ICELAND'S SOCIO-ECONOMIC TRANSITION

3.1. Introduction.

In the treatment of the dynamics of Iceland's socio-economic transition the point of departure is taken in the structural features of the farming society as a whole. The central point is the flux of labour between pastoral farming and part-time fishing (with a relatively rational utilization of labour), although the signs of primitive division of labour were prominent; i.e. between whole-time farming and professional fishing. To begin with the examination is focused on the role of merchants' capital in the onset of Iceland's transition. The question is: how did the merchants' capital operate within the particular modes of production in Iceland?

We have already discussed the alien merchants' capital in the archaic Icelandic society. The distinct features were the specific relations of exchange where merchants' capital operated solely on the old principle of buying cheap and selling dear. The interference with the prevailing socio-economic structure and the appropriate modes of production was minimal; not only was merchants' capital kept from the production process but also from being invested in infrastructural facilities in the pre-transitional epoch. The colonial trade-profits were withdrawn from the country and supplanted abroad.

If we treat the specific characteristics of the old part-time fisheries on the row-boats as "proto-industrial activity" (1) it was only so a) on the basis of the farming sector dominating the supplies of labour, and b) because this particular mixture proved to contain by far the most potential factors of socio-economic development in Iceland; though not per se constituting the real cause.(2)

The pre-transitional structural features were mainly twofold: a) the relatively large size of the cottars' class combined with the seasonal rhythm of labour, and b) the aristocracy's ownership of land, combined with the existence of a large group of impoverished workpeople mainly in farming occupations.

At least three kinds of entrepreneurs could be distinguished, all involved in the fishing sector running decked fishing vessels. Firstly, these were wealthy fishermen-farmers, often in co-operation in larger groups, which spread the risks. Secondly, there appeared

a domestic class of merchants who turned a considerable portion of their capital (originally derived from landed wealth) into productive use in fishing equipment. Thirdly, there occurred a penetration of Danish merchants' capital into the production process, stimulated by demand factors in Europe and increasing competition in Iceland during the 19th century, besides factors which were inherent to the development of commercial capital as a particular branch of the total circulation of capital.

How did the merchants contribute to the breaking up of the pre-transitional system in the 19th century? What had it for social consequences with regard to urbanisation? The scope of the investigation is furthermore extended to cover the development of the foreign trade sector. In that way one further aspect of the economic foundations on which the expansion in Reykjavík rested is presented in terms of exports and imports.

3.2. The financiers and promoters of new fishing technologies.

The merchants - either Danish or Icelandic - were one of the two major groups which generated the minimum capital required for investment in the decked sail vessels in the 19th century. The other important category comprised those of the seaside-farmers who simultaneously were deeply rooted in the landed gentry. By considering the domestic origins in the first place the distinction between fishing and commerce was not very clear for various reasons. The merchants extended their scope of activities by investing in decked fishing vessels while the customary fishermen became involved in selling their products abroad. Accordingly, the characteristic hallmark of the primitive accumulation of capital in Iceland - and the prerequisite of economic transition - was the successive merging of the two independent forms of capital in the 19th century into industrial capital. The proportionality and the origin of wealth, whether merchants' profits or land rent, is here a secondary aspect.⁽³⁾ According to Karl Marx, this was a natural phenomenon in the historical development of the capitalist mode of production: "The independent development of commercial capital ... stands in inverse proportion to the general economic development of society."⁽⁴⁾ Here, we present the three typologies of this process as they were traced in the transitional process in the 19th and early 20th century.

3.2.1. Danish commercial interests.

Probably the first known example of Danish-owned fishing vessels (decked) in Icelandic waters was in the period 1776-1787. The

vessels were in fact run by the Royal Trade Company with considerable subsidies from the monarch. Originally the endeavour was intended to teach the Icelanders to use more effective fishing methods but as Gísli Gunnarsson remarks, the efforts "may partly be explained as measures to increase the profits of the Danish merchants in Iceland." (5) The new technique was obviously met with resistance by Icelandic landowners fearing to loose labourers to the foreign competitors. They seem to have succeeded this time since the Danes for the part failed in their strivings to attract domestic labourers. The bulk of the fishermen and especially the chief crew-members were Danes. In this isolated and short period the merchants' capital did not succed to establish a solid basis within the Icelandic socio-economic system. In 1787 this business disappeared and consequently the efforts to infuse commercial capital into the production sphere in Iceland proved to be premature.(6)

After this episode and during the first half of the 19th century the Danish merchants were not seriously involved in the Icelandic production process, except in a few isolated cases.(7) Frequently the merchants used the rather small cargo vessels for fishing during summer between the two major periods, spring and autumn. By these simple means the utilization of the merchants' capital could be improved without great changes in the way trade was performed. The owner, the merchant in charge, was usually stationed in Copenhagen but had a resident merchant (agent, "faktor") stationed in Iceland. The agent was responsible for all the practical business affairs in Iceland and he bought the major domestic products in exchange for the imported groceries, manufactured products and the like. Copenhagen was, however, the starting point and the final goal in this circuit. It was therefore natural that the profits from this business stayed there too. With the prevailing state of trade where competition in Iceland was artificially kept under control the commercial agents were not encouraged to expand their activities in any degree. In the row-boat era the fisheries were inshore cod fisheries with very restricted possibilities of operation, irrespective if it concerned the main fishing grounds or the access to trade centers. This system of production and exchange, besides the farms' products from the nearby inland, constituted a geographically restricted market for the merchants. A noteworthy exception to this rule in the "era of restricted trade" (fríhöndlun) was the "speculator" or the travelling merchant (lausakaupmaður), which arrived at the most lucrative places not occupied by a local merchant (resident merchant) in order to trade for a short time.

By and large the merchants' profits depended on the size (areal) and location of the market in the main fishing regions. If they desired to extract more profits under the existing modes of production (exploitation) in Iceland they faced increased productive investments as one possible solution. Especially if they wanted more fish

products like salted cod or shark-oil than the economy could supply the merchants had to produce that little extra on their own account and at their own risk. Usually, the crew-management was in Danish hands, which could be a considerable handicap on the Icelandic offshore fishing grounds.(8) The expansion of the fisheries relied on capable crews, which throws light on the calm interest in building the necessary infrastructural facilities for the rising fishing sector. The Danish merchants were hardly interested in such long-term adventures. Commerce was their business and the fisheries must have been considered as a necessary evil to extract more profits. Indeed this was also true for their Icelandic counterparts who were gaining ground in the early 19th century. On quite different premises which in the long-run set the basis for a more powerful union than before between trade and fishing production the Icelandic (or Danish-Icelanders) started their career. Someone might claim that the original differences were successively levelled out, especially in the second half of the century. This is partly signified in the gradual disappearance of clear diverging lines between "Danish" and "Icelandic" businessmen.(9) In this respect a part of the landed wealth in Iceland was put into commerce and fisheries, merging with the Copenhagen merchants' capital.

3.2.2. The Icelandic merchant-businessmen.

What justifies the early differentiation between the foreign merchants and their native counterparts in Iceland is foremost the source of the original wealth which was required to start trade. This distinction applies particularly well with respect to the productive use of capital in the fisheries. We need not speculate about the origin of the Danish merchants' capital, but we take it as a given fact that investing was a voluntary decision taken by the merchant to direct a portion of his capital into productive investments in the fisheries. Nothing contradicts that this capital was a previously extracted trade profit originating in Iceland.

The available information about the existence of decked sail vessels prior to the 1850s - especially in the Vestfirðir - testifies that these were mainly owned by Icelandic merchants who in turn arose for the most from the domestic group of landowners and fishermen-farmers. A part of the wealth acquired from land was used to start small-trade activities, often in co-operation with Danish grossists who continued to maintain their strong position in the country during the 19th century. The usual small-scaleness was understandable with respect to the small market and the preserved status of Copenhagen as a transit-trade center for Iceland. Sometimes the Icelandic merchants were stationed in Copenhagen and directed their business from there as their Danish counterparts did.

Partly due to their position and the organization of this business these relatively few merchants did not constitute a coherent group or class in the socio-political sense.(10)

The Icelandic merchants were in a better position to start fisheries on a commercial basis than were the Danish. The prerequisites for success in the Icelandic production sphere were primarily within the country although the foreign markets constituted a decisive incentive to start and expand this process.

Fisheries, on a larger scale than the customary rowing-boats could sustain, required a) good knowledge in both ocean navigation and fishing; b) fishermen to man the vessels for longer periods than previously experienced; c) high capital outlets, and d) a minimum of land-based facilities on private coastal land. Often these requirements could only be achieved through a partnership or co-operation of merchants, fishermen (captains) and financiers, which also implied that the risks were spread on many hands.(11) The personal engagement of the Icelandic merchants was presumably a key-factor which spurred them to mobilize the available resources into modern fisheries. To counterweight the extremely small domestic market in times of increasing competition by stimulating production i.e. riskful commercialized fisheries, the merchant had to extend his previous basis of operation if he wanted to increase his profits. This process would in its turn enlarge the market for his traded-goods - colonial goods, groceries and manufactures - since these were the times of the truck system.(12) Henceforth, the merchant-fisherman exploited his work force in a twofold way: first, by extracting the surplus product from as direct producers, and secondly, by selling goods to them with profits through the truck system.(13) Also, the use of the merchants' commerce vessels for fishing did hardly add any burdensome extra-fixed capital outlets, but could possibly increase the profits considerably in spite of the extra circulation costs.

In a well known article published in 1832 one of the prominent Icelandic initiators of fisheries on decked sail vessels, Guðmundur Scheving, was well aware of the far-reaching effects of this business on the society. As a spokesman for "new" fishing techniques in an archaic social formation he had to tone down the "revolutionizing" aspect of the changes, namely the interference with the customary allocation of the labour resources. The obstacles were mainly two: a) the opposition against the simultaneous loss of able work people from domestic services and the row-boat fisheries, and b) the assumption that the new kind of fishermen should be prevented from being married, except when they were able to possess or own a farm.(14)

Scheving's immediate reply was that the shortage of workpeople (which he admitted was the case then) in the country was not a sufficient cause of alarm if the modern fisheries could sustain married full-time fishermen. He also added that the labour demand in this business was so inconsiderable and below the increase of the total

population, and therefore the farming sector would not be drained of workpeople. Regarding the second argument Scheving remarked that the old custom of cottage dwelling (þurraþúðarmennska) was synonymous with rowing-boat fisheries and consequently a much riskier way of making a living than the decked sail vessels could provide.

Presumably Scheving's basic idea was that professional fisheries broadened the foundations on which the "bourgeois community" (borgaralegt félag (15)) rested, by attracting an increasing number of independent labourers, free to marry and supply new generations of workpeople. According to him the advantages of the new fisheries were the following:

1. Improved navigation and seamanship.
2. More energetic and determined fisheries which also would experiment with other types of catching than customarily practiced.
3. Increased division of labour between fishing and farming would facilitate production in general.
4. An expanding domestic market in close relation to itemn 3.
5. An increased interest in making the trade a more Icelandic business by transporting and marketing the fish products abroad on own account and thereby keeping the profits within the country.
6. That modern fishing was a more profitable investment-object than real estate purchases, although the former was more riskful.(16)

Probably the most difficult obstacle to the expansion of the decked vessels-fisheries was the mobilization of labour sources in the 19th century. Even if the businessman had the luck to attract enough labour, his employees were still tied to the farming community as a partial source of living. The umbilical chord between farming and fishing wasn't broken until in the culmination period in the 1890s and 1900s.(17) This meant that only after the urbanization process was launched the full-time fishermen (the earlier crofters) settled down too and speeded this process furthermore.

3.2.3. Farmers as speculators?

In the 1850s the fisheries on decked vessels experienced a phase of considerable expansion, especially in Vestfirðir and in Norðurland. This period simultaneously witnessed increasing difficulties in the farming sector and a great demand for the salted cod and the shark-liver oil as the prices went up. The hay-days of this particular phase were in the 1850s and 1860s, and as shown in Chapter 5 and Appendix D this caused a concentration of this business towards Norðurland until the 1880s. Persons in various groups were both willing and able to possess decked fishing vessels and probably the seaside-farmers to some degree gained a status of independent producers vis à vis the merchants. In the boom period speculation could thrive, but when prices fell the farmers became the main

losers. They successively lost their fishing capital into the hands of their creditors; usually the merchants. According to Gils Guðmundsson the vessels changed hands dramatically in Eyjafjörður during the 1870s and 1880s. While the fishermen-farmers in the early 1870s owned 4/5 of the vessels against 1/5 owned by merchants the situation was reversed in 1890. Then 4/5 of the vessels were in the hands of the merchants.(18) It also occurred that the farmers didn't bother to maintain their ships properly, so that their capital stock deteriorated successively; even that which was taken over by the merchants.(19)

3.3. A new phase of merchants' capital in the fisheries.

In southwest Iceland the decked vessels were during the 19th century mainly owned by merchants.(20) Even if one of the most prominent owners in Reykjavík in the late 19th century, G. Zoëga, started a career in 1866 without being a merchant he soon became involved in commercial activities in connection with the expanding fisheries. In 1880 he opened a shop in the town.(21) As others did too he keenly bought fresh cod (blautfiskur) from the petty fishermen in the town and processed it and exported with his own catches. This trade was once considered as an example of the limitless thirst for commercial profits.(22) The purchase of salted cod directly from the scattered producers in the region was lively practiced by merchants besides operations on own vessels in the late 19th century. This means simply that the merchants, especially between 1875 and 1914, had commercial interests in various activities simultaneously. Matthías Thordarson remarked that this period was the culmination era of the Icelandic-Danish fish-business when Copenhagen still was in the role as the center of Icelandic transit-trade:

"I disse Aar (ca. 1875-1914 - MSM) var der mange Firmaer i Island, som ved Siden af en omfangsrig Handel tog mere eller mindre Del i Fiskeri med Dæksfartøjer og anden Virksomhed i Forbindelse dermed. Blandt disse Firmaer finder man J.P.T. Bryde, Fr. Fischer og H.P.Duus (O.A.Olafsson) paa Sydlandet. Á.Ásgeirsson, N.Chr. Gram, P.J.Thorsteinsson, Björn Sigurdsson og Leonh. Tang paa Vestlandet. Carl Hoephner og Gudmans Efterfølger paa Nordlandet. Carl Tulinius og Otto Wathne paa Østlandet. Den største Fiskerivirksomhed ved Siden af Fragtfart drev Firmaet Á.Ásgeirsson, Isafjord, i en Række Aar. Disse Virksomheder, i Forbindelse med en stor Handel skaffede Befolkningen i Handelsstederne og omliggende Kommuner Arbejde og bidrog meget til den udvikling paa Erhvervslivets Omraade, der fandt Sted i disse Aar, og som er blevet fortsat i det tyvende Aarhundrede.

I Aarene omkring Aarhundredeskiftet blev der gjort talrige Fremstød med Oprettelse af store Fiskeriselskaber, hvori adskillige af Købmandsstanden deltog med betydelige Beløb."(23)

This shows that the flow of merchants' capital into the fishing operations (i.e. production) followed the general expansion of the fisheries in the decked vessels-era (skútuöldin) 1880-1910. Although the merchants continued to show interests in the steam-trawlers business they mostly did so as financiers. That situation signified the decisive turn from the era when merchants' capital had an independent function vis à vis the production sphere into a new regime where this capital became a mere moment in the then dominating capitalist mode of production.(24) With this I do not mean that the previous era should deserve the label "merchants' capital era" since the criterion is based on the specific modes of production in society. Nevertheless, as has been the purpose to show here, the capital which the merchants had at their command played an important role in the process of transformation between the old archaic social formation in Iceland and the rise of the capitalist mode of production.

3.4. The historical role of merchant-farmers' fishing capital in the era of transition.

Without doubt the introduction of decked sail vessels contributed more than anything else to the rise of capitalized industry in Iceland, and consequently to the proletarianization process in a double sense: as a process which signified the divorce of the direct producer from the means of production and secured his status as a wage-worker.

The historical role of the agents of capitalized fisheries was to break down the links of the labour force with farming and fishing by undermining the traditional rhythm of seasonal work, which was dominated by the farming interests primarily. During the decisive period 1880-1910 the labour power was in the first instance formally subordinated to the dominance of capital. The control over the labour supplies was not complete, which is marked by the continuing (although declining) dependancy of the workers on the farming occupations. The semi-proletariat in the country was successively freed from the patriarchal ties of the farmers' interests. This implied that the traditional system of social insurance and mutual obligations within the farming community broke down. So did also the old poor law legislation.

Consequently, in this period the "class" conflicts bore the marks of social and economic transformation or displacement with two main groups of economic actors in need of the labour sources in the country: the fishery-promoters and the farmers. The social scene became more complex than previously which was a natural effect. The

social conflicts occurred on many levels in a complex pattern; between capitalists and workers (especially on the economic level in the beginning); between capitalists and farmers; farmers and farming workers, etc. Farmers fought against the flow of farm-hands to the towns, but with little success, even if they constituted the largest group in the National Assembly. Irrespective of their "progressive" attitude in questions of Iceland's national sovereignty the farmers' attitudes in social matters were clearly conservative. Their fellow MPs - often the representatives of the Danish monarch - were more in favour of the progressive tendencies in Europe towards easing the restrictions on the working classes. Their common reply to the claims of the farmers was that increased restrictions ran against the pre-dominant stream.

In general these liberal tendencies in economics and social legislation contributed to the separation of labour from the means of labour and the traditional conditions of living in the countryside. Historically they supported the process of primitive accumulation in Iceland during the decked vessels-era. In total this process was more complex than can be dealt with in this work, but the understanding of it requires a framework which is extended beyond Iceland; of the uneven and combined development of the capitalist mode of production internationally.

Here, the effort has been to distinguish the main patterns or typologies of the processes which concurrently launched the proletarianization process. But, there are more candidates to the list.

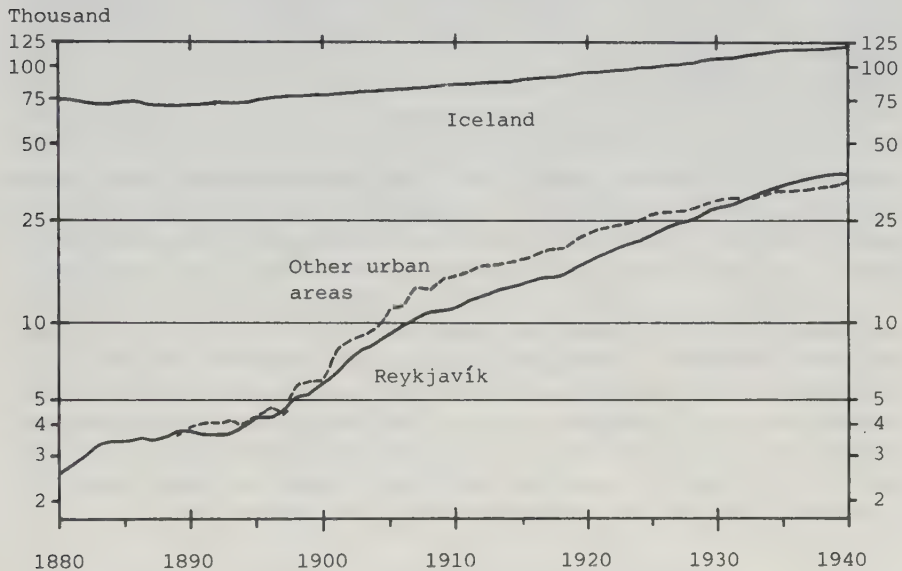
3.5. Reykjavík and the urbanization process before 1940.

The late urbanization process in Iceland is highly associated with the landowners' struggle against the rise of an independent class of fishermen, or of any class which could gain independency from the prevailing socio-economic system.

The specific barriers against the permanent dwellings of the merchants were abolished in 1786 when Reykjavík and a few other places achieved the status of townships. Trade was given free to all citizens of the Danish kingdom. For the first time town-dwellers gained legal rights to practice the occupations of their choice; not as aliens but presumed promoters of economic prosperity.(25) The opening of the free-trade era, however, began in 1855 when the country was opened for trade for all nations.(26) In the decades following the abolition of the monopoly trade in Iceland (1787) no fundamental changes occurred within the economy though, partly due to the Napoleonic wars and the consequent isolation of the country. In 1801 the inhabitants in Reykjavík were only 307, or 0,65% of the total population. Moreover the Danish interests were highly represented in the town.(27)

The freedom of trade should not be confused with the prohibitions against town-dwellings of the poorer sections in the Icelandic society. One of the barriers set up against immigration to the towns was the required ownership of a minimum property as a guarantee for maintenance. This paradox kept the towns from growing rapidly until the social pressure in the second half of the 19th century powerfully challenged the restrictions.

Figure 3.1. The population in Reykjavík and other urban areas with over 300 inhabitants. (Semi-log scale)



Sources: See note 28.

In 1880 the urban areas (with 300 inhabitants or more) hardly exceeded 5% of the total population. This signified another important aspect of the early modernization process; the lack of economic infrastructure was almost total.

The characteristic traits of urbanization in the transformation era are firstly the monocentric development of Reykjavík from having 3,5% of the population in 1880 to over 31% in 1940, and even more if the nearby towns and suburbs were included. Secondly, the urbanization process included the rise of many small coastal towns and villages with fishing and various services (among them services for the farming districts) as the major occupation. In the 1920s the majority of the Icelanders had become town-dwellers and 2/3 in the 1940s. As Figure 3.1. shows Reykjavík alone contained approximately half of the urban population in the period.

Table 3.1. Urbanization in Iceland 1880-1940. (Per cent, while the brackets show the number of towns and villages).

	Reykjavík	Other townships	Villages (>300 inh.)	Total urbanization
1880	3.5	1.5 (2)	-	5.0 (3)
1890	5.5	2.0 (2)	3.5 (5)	11.0 (8)
1901	8.5	4.4 (3)	6.7 (12)	19.6 (16)
1910	13.6	7.5 (4)	11.1 (17)	32.2 (22)
1920	18.7	12.0 (6)	12.0 (21)	42.7 (28)
1930	26.0	16.3 (7)	12.2 (24)	54.5 (32)
1940	31.4	16.9 (7)	13.0 (26)	61.3 (34)

Sources: see note 29.

Table 3.1. shows that the other half was located in ca. 15 other towns in 1900 and 33 in 1940.(30) The average size of these towns was very small and varied inconsiderably. Still in 1940 only 10 towns, including Reykjavík, had more than one thousand inhabitants.(31) The table furthermore presents a division of urban areas into townships and villages, not only because they had different administrative status, but also because they involved two distinct structural features. The people in the small coastal villages were dependent on the rural surroundings for sustenance, and the fisheries were seasonal. Division of labour was minimal and the households rested partly on small scale livestock keeping and potato cultivation etc.(32) Typically it was the wife which stayed at home while the husband sought jobs as a seasonal worker or fisherman.(33)

Table 3.2. Average size of urbanized areas other than Reykjavík, 1880-1940.

	Townships	Villages	Tot. average
1880	532 (2)	-	-
1890	721 (2)	503 (5)	565 (7)
1901	1144 (3)	440 (12)	581 (15)
1910	1603 (4)	556 (17)	755 (21)
1920	1896 (6)	542 (21)	843 (27)
1930	2542 (7)	554 (24)	1003 (31)
1940	2938 (7)	605 (26)	1100 (33)

Sources: same as in 29.

It was highly probable that when access to a piece of land was possible the optimal income for the workers' families could be satisfied. The place of settlement needed not to be located near the major fishing areas although the tendency was in that direction. The

means of production, it was noted, were not in proportion to the population and the need for jobs.(34) Also these villages hardly had any social pyramid, just the merchant, the fishermen's families and a few others.(35)

The townships had in common a distinct social and economic dependancy with respect to the neighbourhood; a minimum of infrastructure and social division. The settlement of proletarians as wage workers in such towns was associated with the development of the market economy and capitalized means of production. Usually the fishing branch played the key role here. The townships had a more distinctive proletarian character than the coastal villages, simply because settling was more common in the township and capital's resources were located there to a greater extent. Outside Reykjavík the townships played a key role in the organization of the labour movement while the little villages remained very weak in that respect. One of the factors which demonstrate the difference is that within the townships it was more difficult than in the coastal villages to keep animals as an extra source of living. Perhaps the rhythm of seasonal work was considered as a minor problem compared with the question of settlement, which tended to constitute a delicate problem for the workers' families as we already noted.

Reykjavík was the centre point of the administration, commerce, foreign trade, cultural life, etc., and therefore only partly dependant on the fishing industry. The great concentration of the population demonstrates the countertendencies against the unproportional costs of infrastructural facilities which a growing capitalist economy required. The low population density in Iceland was to determine the urban development in the long-run. As the size of Reykjavík grew the diversity of its activities in relation to the one-sidedness in the smaller towns stimulated the particular division of labour.

Table 3.3. Annual rate of population growth in Reykjavík, other urban areas and whole Iceland, 1850-1940.(%)

	Reykjavík	Other urban areas	Urban areas in total	Iceland	
				Actual population	Natural increase
	(1)	(2)	(3)	(4)	(5)
1850-1883	3.3	-	-	0.48	0.68
1883-1892	0.7	-	-	0.29	1.06
1892-1908	7.2	7.8	7.5	0.89	1.18
1908-1918	3.4	3.5	3.5	0.95	1.18
1918-1930	5.2	3.8	4.4	1.40	1.33
1930-1940	3.1	1.7	2.4	1.13	1.14

Source: See note 36.

In the period 1883-1892 Reykjavík's expansion was slow. In the same period almost 3/4 of the natural increase in the country was channelled abroad to N-America (column 4 divided by column 5). The period after, however, (1892-1908) marked the break-through with very high rates in all urban categories and an average of 7.5% per year. During the inter-war years this pattern did change to the advantage of Reykjavík which then absorbed relatively more new inhabitants than the remaining boroughs.

In the unrestful fourth quarter of the 19th century those farming districts which were most severely hit were located in the North and East of Iceland, between Húnavatnssýsla and Suður-Múlasýsla. Between 1873 and 1893 they became the focal point of emigration to N-America.(37) Those who settled in Reykjavík came primarily from the nearby districts stretching from Árnessýsla to Mýrasýsla.(38) In this area Reykjavík rather than America became the centre of gravity. In Norðurland and Austurland the existence of comparable urban areas to stave off the propensity to emigrate was negligible, except for the towns of Akureyri and Siglufjörður. Later on in the urbanization process Reykjavík attracted the people of some other towns which in turn slowed down their expansion, f. ex. Ísafjörður and Seyðisfjörður.(39)

Table 3.4. The division of the population in Reykjavík by place of birth and sex, 1860-1940. (%)

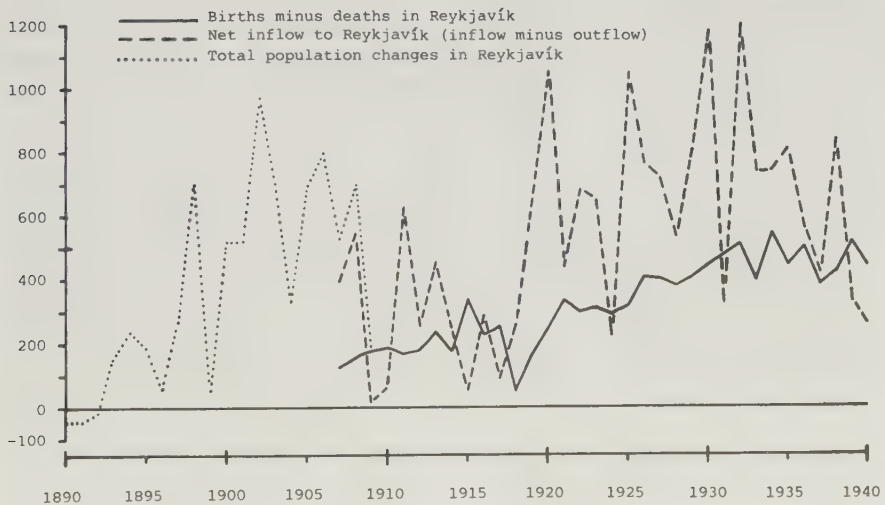
		Reykjavík	Other urban areas		Rural districts	Abroad and unknown	Total
			Townships	Villages (>300)			
1860	total	49.2	48.4			2.4	100.0
1870	total	47.7	49.8			2.5	100.0
1910	men	37.4	2.6	(3.3)	(52.1)	4.6	100.0
	women	32.5	3.1	(3.9)	(57.8)	2.7	100.0
	total	34.7	2.9	(3.7)	(55.2)	3.6	100.0
1920	men	39.3	4.1	5.1	48.3	3.2	100.0
	women	34.4	4.3	5.6	53.6	2.1	100.0
	total	36.7	4.2	5.4	51.1	2.6	100.0
1930	men	42.1	5.5	6.9	41.6	3.9	100.0
	women	35.9	6.1	7.2	47.7	3.1	100.0
	total	38.7	5.8	7.1	44.9	3.5	100.0
1940	men	46.8	6.4	7.6	36.6	2.6	100.0
	women	39.9	7.1	7.9	42.6	2.5	100.0
	total	43.1	6.7	7.8	39.8	2.6	100.0

Sources: The Population censuses of Iceland 1860-1940: 1860 and 1870 in *Skýrslur um landshagi á Íslandi (1858-75)*; 1910: Table XXXII, p 186 (numbers in brackets are estimates); 1920: Yfirlitstafla 9, p 27*; 1930: 9. yfirlit, p 25*; 1940: 7. yfirlit, p 22*, also in *Árbók Reykjavíkurbæjar 1940*, p 3, and *Árb. Rvb. 1945*, p 4.

The rapid development of Reykjavík was highly associated with the external recruitment of people from the rural districts, including those which temporarily lived in other towns ("step wise migration"). The composition of the Reykjavík population by place of birth (Table 3.4.) shows a declining ratio of native locals from 1860 to 1910, or from 49,2% to 34,7%. Still in 1920 the town-dwellers born in the plain rural districts constituted the majority in Reykjavík. The figures for the urban areas are low. In 1910 only 6,6% of the population in Reykjavík were born in either towns or villages, 12,9% in 1930 and 14,5% in 1940. This obviously is an underestimation of the role the provincial towns played for the recruitment to Reykjavík. Take for instance 1930. Then 44,9% of those living in Reykjavík were born in the rural districts, but 23% of this group arrived by way of a town or a village on their way to the capital. Hence, in 1930 ca. 24% of dwellers in Reykjavík were either born or had previously been living in urban areas outside the capital.(40)

Table 3.4. shows furthermore that the native Reykjavík population grew faster after 1910 than the out-of-towners' recruits, and the ratio in 1940 was 43%. This shift from external to internal recruitment around 1910 only refers to the total population in the town and is not age specific for example.

Figure 3.2. The external and internal recruitment of Reykjavík's population, 1880-1940. Annual figures.



Sources: See note 41.

The temporary revival of emigration in the years between 1900 and 1905 did not hamper the urbanization process particularly. In this expansive period the fisheries on the decked sail vessels culminated in the southwest of Iceland. It is interesting to note that this happened on the eve of the mechanization era of the fisheries.

In the two last decades of the 19th century emigration and the urbanization process moved countercyclically as we already noted. Between 1900 and 1905 this pattern didn't hold since both factors oscillated upwards. Broadly speaking there were three distinguished elements which ultimately had the main effects on people's decision to move from the farming sector: urban opportunities, emigration propensity, and farming opportunities. Set up schematically, Table 3.5. distinguishes five stages or patterns of mobility between 1883 and 1930. The idea behind the table is to illustrate in brief the relative strength of forces behind the decision of the farming people to leave their mainstay of living. Of course, each of these components is an aggregation of causal factors which affected people to leave or not and still others aren't included in it, such as ideology.

Table 3.5. The three main elements of the mobility patterns in Iceland, 1883-1930.

	1883/93	1893/00	1900/05	1905/18	1918/30
Urban opportunities	+/-	++	++	+	++
Farming opportunities	- -	-	-	+	-
Emigration propensity	+ +	+/-	+	-	-

The table grades the variables according their change in strength between periods. It does not quantify the strength of each variable in a given period. For instance the period 1883/93 might be interpreted like this: While the opportunities in farming were very inattractive (- -) those who moved away faced a situation where emigration was unusually attractive (+ +) and in the meantime the attractiveness of the urban areas was inconsiderable (+/-).

3.6. Changes in labour mobility patterns and settlement. A case study.

In the second half of the 19th century the fisheries challenged the stability of the social system more forcefully than previously. The

term "stability" refers to the relatively undisturbed flux of semi-proletarianized labourers between farming and fishing or a specific urban occupation. Yet, the labour had not become wage-labour, although the divorce from the means of production was an established fact.(42)

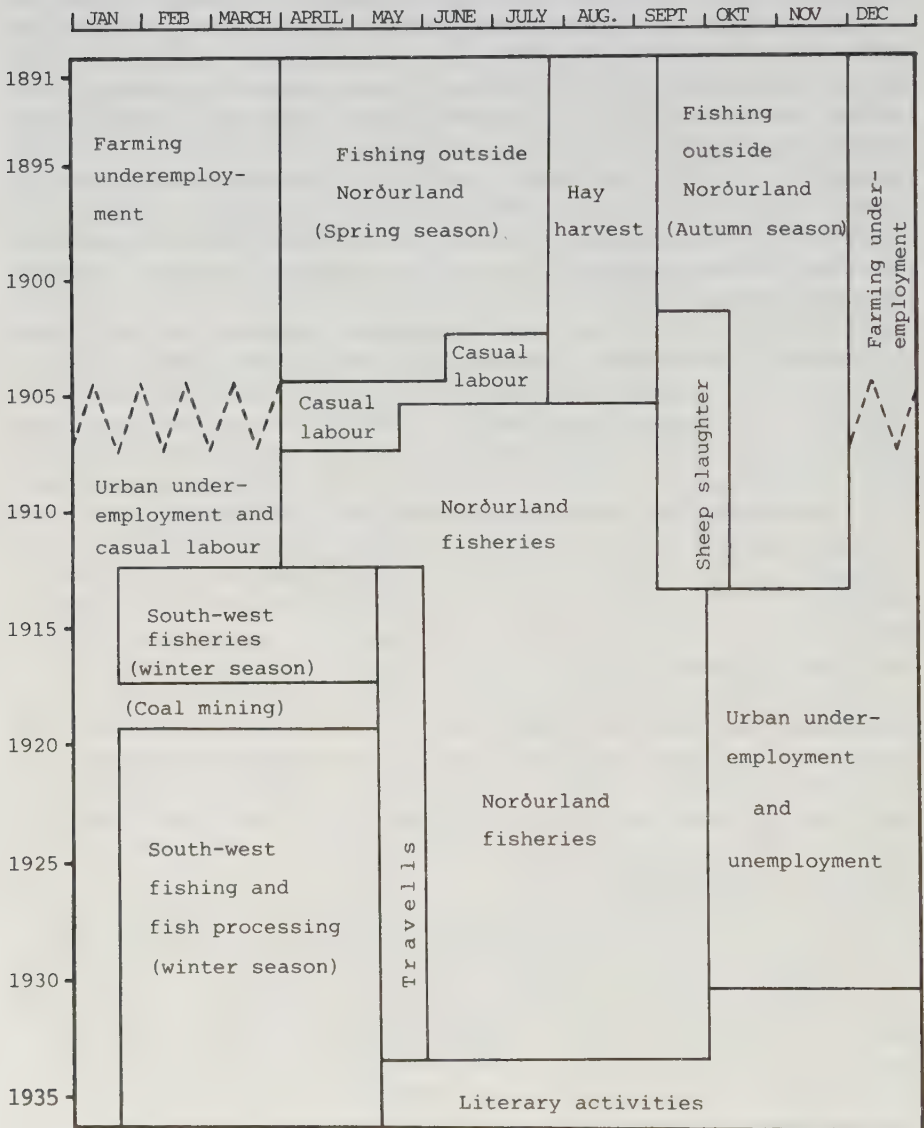
When dealing with the workers in the district of Sundsvall in Sweden between 1860 and 1890, Lasse Cornell noted that it was by nature very difficult, if not impossible, to map the labour migrations on the basis of statistics or other comparable sources. One of the definitions of migratory labour the author referred to was that "labour migrations imply that a man does not change his parish registration."(43) These difficulties are highlighted by Björn Rondahl, who studied seasonal labour (both "intended" and "actual") according to the paybooks preserved in company records in Ljusne (also in Sweden).(44)

In the Icelandic case the available sources provide good possibilities to investigate seasonal migrations of fishermen registered on decked sail vessels and other large vessels from 1891 and onwards.(45) Other sources, though scattered, are to be found for earlier periods.(46) The study of such sources would bring the scope of this work far beyond reasonable limits. The path taken here is to leave aside the attempt to quantify the phenomenon of seasonal migration (and other forms as well) but instead to illustrate these processes on the basis of a well known autobiography by Theodór Friðriksson: "Í verum" (transl: "In Fishing Stations"), originally published in 1941. Figure 3.3. is an attempt to graphically express the essential phases in his life as a migrant worker as he successively left farming and got employed as a fisherman and a fish curer. He personified the transformation process which forced poor farming people into various urban seasonal occupations. What characterized his employment was his successive engagement in fishing occupations far away from his home where the rest of the family kept a small stock of animals, first in the countryside and thereafter mainly in two coastal villages in Norðurland.

Th. Friðriksson was never a trawlerman but migrated seasonally to the southwestern part of Iceland and worked there between February and May in the fisheries. Then the cod-spawning season was over and the cod left this area in the search for food. He then went back north and was during summer employed either in the cod or herring fisheries. Usually he was united with his family during autumn and until the outset of the following year.

His active lifetime as a migrant worker falls into three main periods: Firstly, in the years 1892-1904, he was tied to the farming occupations, especially during hay-harvesting, besides being employed on a fishing vessel or a rowing-boat between April and July. In the autumn to next spring various tasks occupied his time, which nevertheless was punctuated by long periods of underemployment. Secondly, the period 1905-12, when he was no longer involved

Figure 3.3. Theodór Friðriksson's life-cycle in terms of type of employment, work seasons and place of work 1890-1936.



Source: Theodór Friðriksson: Í verum. (1941)

in agricultural work but had very unstable jobs, elsewhere as a day-labourer or fisherman on small boats, some with petroleum engines. He was a semi-urban dweller near the town of Sauðárkrókur and felt it was the most degrading period in his life. Now and then he received poor relief from the commune. Thirdly, in the period 1913-36 Friðriksson was a migrant worker par excellence. Every year (except 1918-19) he attended the winter-season fisheries in the Southwest and continued in a similar way in Norðurland until the autumn. He was a migrant full-time fisherman or fish-curer with his family residing in a small town on the north coast (Húsavík). Without doubt his fate was shared by many others who did not belong to the fishermen's "elite" on the steam trawlers. The recurrent problems of unemployment or underemployment were highly associated with the period of October-January. The underemployment of the working population during the lifetime of Theodór Friðriksson was successively transferred from the farming districts to the coastal towns. The unemployment problem especially in Reykjavík, is furthermore discussed in Chapter 8.

3.7. Foreign trade.

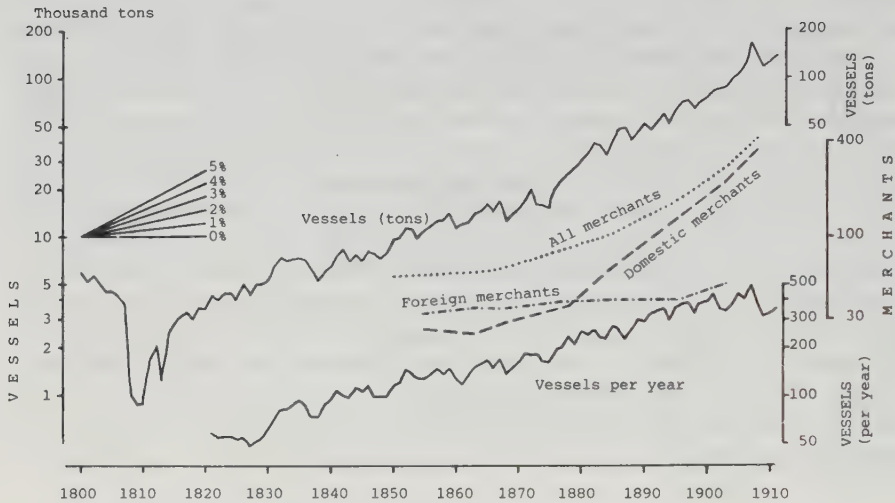
Iceland's reliance on foreign trade has always been a key-factor in the economy. The lack of natural inland resources (such as forests and minerals) and the riches of the sea have greatly biased the exchange of goods in favour of fish and farm products mainly. In the late 19th century, however, the upswing of the commercialized fisheries drastically changed the foreign trade structure.

The estimations made by Gísli Gunnarsson show that in the period 1764/73 the exports from Iceland amounted to 21,4% of the "net national income". The fish products (mainly stockfish then) constituted 45% of the exports and the remaining 55% were various agricultural products.(47) He concludes that "the very poor Icelandic 18th century society was a highly mercantile community."(48)

After the Napoleonic wars the commerce became more intensified than ever. Figure 3.4. illustrates this process in terms of tonnage and number of ships given licences to trade in Iceland. The country was more intensively absorbed into the European economy than previously and after 1855 many new countries, especially Britain, gained foothold in the Icelandic trade. Without doubt the activities by far surpassed the economic growth, which means that the foreign trade sector in terms of the country's national income became larger. In the period 1901/05 the export rate was 46,5% of NNI and reached the peak level in 1926/30 with 57,2%. The comparative figure for the period 1951/55 was 35,0%.(50)

This increase was highly associated with the productivity gains in the fishing sector which could export a growing proportion of the

Figure 3.4. Cargo vessels visiting Iceland and number of merchants, 1800-1911. (semi-log scale)



Sources: See note 49.

total output. Roughly estimated, the Icelanders in 1764/73 consumed ca. 63% of their fish production, 18% in 1901/05 and 9% in 1930/34. (51)

One product more than all others symbolised the changes into commercialized fisheries; the salted fish. From the 1820s the surplus fish for exports was cured and salted while the stockfish production remained stationary and became insignificant in the late 19th century. (52) Spain became a market of significance. The curing of salted fish was without doubt a method which well suited the decked sail vessels and other large-scale production forms. Also the petty producers were to follow suit while they continuing fishing on their small and ineffective boats. This new method rendered them more vulnerable to the power of the big fish merchants and other large scale businessmen.

Table 3.6. illustrates this upswing of the fish exports, mainly concentrated to the periods 1816-40 and around 1870 and after.

Table 3.6. The main maritime export articles from Iceland before 1940. (1000 kg.)

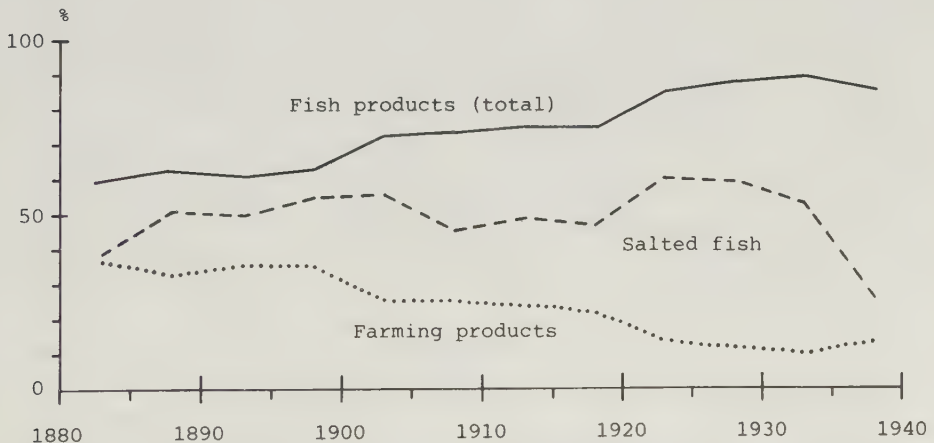
	1816	1840	1862	1871	1906/10	1926/30
Salted fish	208	2203	3010	4161	15148	70636
Stockfish	398	485	332	124	42	620
Shark oil	116		688		2805	10658

Sources: *Ægir - afmælisrit* (1959), p.134; *Hagskýrslur Íslands II,63* (Tölfræðihandbók 1974), p.128; *Landshagsskýrslur fyrir Ísland 1908* (Verslunarskýrslur 1907), p.vi.

Note also the liver-oil which was first and foremost a product arriving from Vestfirðir and Norðurland, especially from the middle of the century and onwards. Herring became an Icelandic export-staple only when the steam trawlers arrived. Previously, or since the 1880s, Norwegian entrepreneurs operated on a large scale outside the north- and east coast of Iceland.

The main feature of the export structure by origin is shown for the period 1881-1940 in Figure 3.5., which presents the relative decline of the farming products while the fish products were in progress and almost totally dominating the export sector at the end of the period.(Figure 3.5.)

Figure 3.5. Exports by origin from Iceland 1881-1940. (Per cent)



Source: Statistics of Iceland II,61 (Tölfræðihandbók 1974), p.128-9.

Note: Whale products of Norwegian enterprises are excluded in the period 1891-1915.

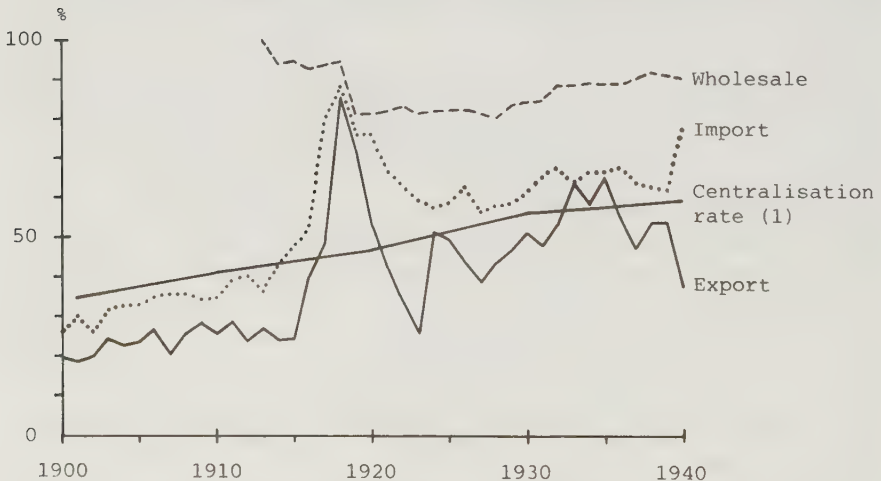
From 36,6% in the years 1881/85 the share of agriculture fell to 13,0

in 1936/40. This did not imply a reduction in the export volume. On the contrary, the export of mutton and lamb more than tripled in the period. It was the quantity of the fish products which outnumbered anything else. The saltfish production rose in the period 1881/85 to 1931/35 from 6400 tons annually to 68600 tons or more than tenfold. During the 1930s the fisheries went through great structural changes with salted fish products in retreat while oil and meal made of white fish and herring besides salted herring, iced fish and quick frozen fish gained ground. Behind these moves were drastic changes on the foreign markets of which the closing of the Spanish market was the biggest blow to the fish industry. Also the difficulties were due to the generally rising protectionism and payment restrictions in this period.

3.8. Foreign trade and Reykjavík.

With regard to Iceland's heavy reliance on foreign trade the relatively large share of Reykjavík in this respect stresses her importance in the economy. Figure 3.6. shows how the foreign trade sector was concentrated to the capital after 1900.

Figure 3.6. Reykjavík's share of Iceland's foreign trade (turnover in per cent), 1900-1940.



Sources: Árbók Reykjavíkurbæjar 1940, p.47; 1945, p.66.

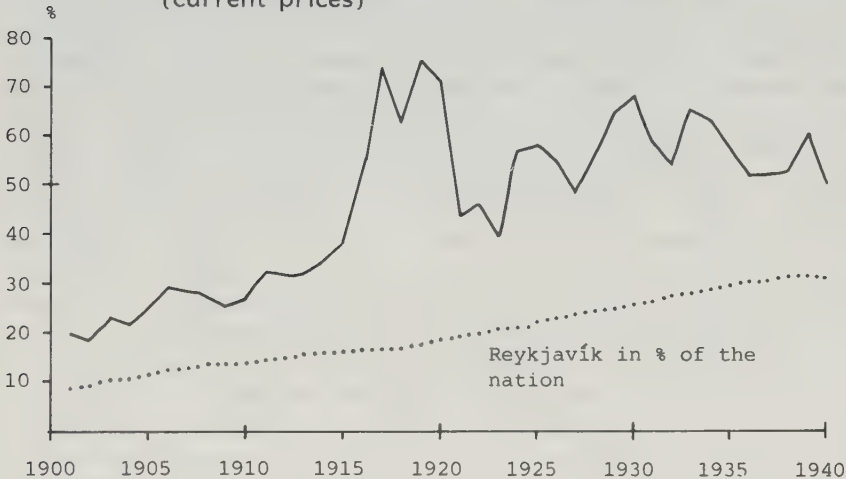
(1)= Rate of centralisation of commerce and communications to Reykjavík (active population).

At the turn of the century the capital's export share was ca. 1/5 of the total exports and higher or ca. 1/4 with respect to import. Apart

from the extraordinary circumstances during WWI and until 1920 Reykjavík's share gradually increased its share, with the imports always dominating. As transit trade centre par excellence Reykjavík supplied other regions with imported goods. Wholesale was almost completely confined to the capital, partly thanks to the installation of an ocean telegraph cable in 1906.

The dominating role of Reykjavík is also illustrated in Figure 3.7, which relates the foreign trade turnover to the existing estimations of the national income (NNI). Apart from the war-years and the years which followed, the value of the goods in the foreign trade sector passing Reykjavík reached the absolute top in 1920 with regard to NNI, or 68,4%. During the crisis years in the 1930s it was natural that this rate went downwards. The foreign trade sector tended to be hit in the first instance when the markets were closed.

Figure 3.7. Foreign trade turnover in Reykjavík (exports and imports) in per cent of the national income, 1901-1940. (current prices)



Sources: See note 53.

The figure(s) might also suggest that although Reykjavík's share in the foreign trade sector was increasing the rise was counterbalanced by the relative increase of the population in the town. The ratio of percentages was thus ca. 2:1 in the whole period.

The occupational division in the population censuses might suggest another version (see Chapter 6). By regarding the groups in commerce and transports as the bearing elements, Reykjavík in 1901 represented 35,0% of the work force in these occupations. Both exports and imports showed lower figures; 18,6% and 29,9%. Figure 3.7. shows a slower concentration of man power than the concentrat-

ion of the foreign trade sector to Reykjavík, especially during WWI and after. The pre-war years might suggest a low productivity of labour with regard to the inter-war years. The drastically improved infrastructural facilities in Reykjavík in the period 1913-17, when a modern harbour with piers for ocean freight vessels was built might provide an answer. These investments in association with other facilities (cars) saved labour.

3.9. Summary and conclusions.

This chapter starts the study of aspects related to Iceland's transition by examining the role of merchants capital in the process. By these means the economic development is conceived as a part of that of Europe within the historical perspective of uneven and combined development. It was remarked that the old time institutional barriers between capital in commerce and capital in fishing were abolished in the 19th century. Thereupon, industrial capital in the fisheries appears as the merging of the two previously independent forms of capital. The examination of the agents in this accumulation process showed that the original wealth arrived from a) a part of the landed aristocracy, and b) merchants of both Danish and Icelandic origin. They were the ones that could invest in decked fishing vessels and thereby introduce in Iceland fundamentally new means of production. The proletarianization process - as the combined result of divorce of the labourer from the means of production and his new role as a wage-worker - was the natural outcome of this economic modernization in the 19th century. Hence, the urbanisation process was examined in order to outline the main characteristics and phases of the social development in that period. It serves as a background for the more specialized subjects in the following chapters.

The abandonment of pastoral farming as the economic and social basis in previous centuries is described in the following chapter as a response to the over-all changes in society with regard to utilization of labour power, technological improvements, and marketing.

Notes to Chapter 3.

1. With regard to the critical value of this concept, which in the Icelandic case would cover the whole era between the 14th and the 19th century. See discussions about Scandinavia in: *Scandinavian Economic History Review*, 1:1982.
2. In the Swedish case L.Schön noted that "The agricultural slack seasons were utilized primarily for industrial labour. The seasonal rhythms of agriculture formed conditions of proto-industrialisation but not really a cause." "Proto-industrialisations and Factories: Textiles in Sweden in Mid-Nineteenth Century" in *Sc.Ec.Hist.Review* 1:1982, p 57-71.
3. For Marx the historical process of primitive accumulation belonged to another regime in contrast to the specific characteristics of capital accumulation within the capitalist mode of production in the sphere of production process. *Capital* vol.1, p 714, 775, and chapters 26-33.
4. K.Marx: *Capital* vol.3, p 445.
5. Gísli Gunnarsson: Monopoly trade and economic stagnation, p 178n; see also a similar view on this point in Gils Guðmundsson: op. cit. vol. I, p 50.
6. For accounts of this episode see (besides the previous note): Þorkell Jóhannesson: *Saga Íslendinga* vol. VII, p 271-3; Matthías Þórðarson: *Havets Rigdomme og deres betydning og udnyttelse*, p 116ff; Þorkell Bjarnason: "Fiskiveiðar Íslendinga og útlandinga við Ísland að fornu og nýju, (1883), p 201ff; Gísli Gunnarsson: A study in causal relations in climate and history p 15-16.
7. Gils Guðmundsson: *Skútuöldin*, vols. I-III, passim.
8. Bergsteinn Jónsson: "Skútutímabilið í sögu Reykjavíkur", in *Reykjavík í 1100 ár*, p 160.
9. *Ibid.* p 171.
10. Gestur Pálsson: "Lífið í Reykjavík." (1888) in *Ritsafn* II; Ólafur R. Grímsson: Political power in Iceland prior to the period of class politics 1845-1918, (Unpublished Ph.d. thesis), p 194-7, 437-9. Jón Sigurðsson noted that this group was absent in the Icelandic society (*Ný Félagsrit*, vol., 2 (1842), p 81).
11. See f.ex. Gils Guðmundsson: *Skútuöldin* vol. I, p 129.
12. For a definition of the term see G.W.Hilton: *The Truck System*; in particular pp 1-60. "The truck system" is the name given to a set of closely related arrangements whereby some of consumption is tied to the employment contract." (p 1) Furthermore: "There can be little doubt that Alfred Marshall was correct in describing the truck system as a device for employers "getting by underhand ways part of the wages which they nominally paid away." (p 40).
13. See f.ex. Heimir Þorleifsson: *Frá einveldi til lýðveldis*, p 156f.
14. Guðmundur Scheving: "Nokkrar hugleiðingar um þilskipaveiðar á Íslandi." in *Ármann á Alþingi* vol. 4 (1832), p 83-106.
15. I preferred to translate the Icelandic term "borgarlegt félag" as bourgeois community rather than bourgeois society because Scheving is not referring to a society where the bourgeois class predominates politically and economically, but a society where all men are equal as members of the state, i.e. citizens (in french: citoyen).
16. *Ibid.* p 103-5.
17. See the remarks of Guðmundur Björnsson: "Bæjarbragur í Reykjavík" in *Mánasilfur*, (1979, originally in 1936), p 94-100; The

- seasonal basis of the fisheries prevailed however, see f ex Thor Jensen: *Minningar II. Framkvæmdaár*, p 40.
18. Gils Guðmundsson: *Skútuöldin* vol. II, p 94, 165, 228.
 19. *Ibid.* p 244.
 20. Knutzon, Duus, Geir Zoëga (after 1880)
 21. Gils Guðmundsson: op. cit. vol. III, p 61.
 22. Gestur Pálsson: "Blautfiskverkun og bróðurkærleiki." (1888) in *Ritsafn II*, p 158-64; see the apologetical tone in Gils Guðmundsson: op. cit. vol. III, p 68-70; originally in: Geir Zoëga, (1946), p 131-2.
 23. Matthías Þórðarson: *Dansk-Íslandsk samhandel 1787-1942*, p 75-6.
 24. See f.ex. K.Marx: *Capital* vol. 3, p 444f.
 25. See f.ex. Sverrir Kristjánsson: "Skúli Magnússon og upphaf Reykjavíkur." in *Andvari* (1962), p 214f.
 26. Although passed in 1854 the act was first set into force on 1st April 1855.
 27. Sverrir Kristjánsson: op. cit. p 216.
 28. Helgi Skúli Kjartansson: "Fólksflutningar til Reykjavíkur 1850-1930." in *Reykjavík í 1100 ár*, p 259; Also by H.Sk.Kj.: "Vöxtur og myndun þéttbýlis á Íslandi 1890-1915." in *Saga XVI* (1978), Table I; *Mannfjöldaskýrslur* (Vital and population statistics) 1916-1940 (*Hagskýrslur Íslands* no. 56, 57, 77, 99 and 121).
 29. *Manntöl á Íslandi* (Population censuses) 1880-1940. The years 1890 and 1901 are complemented by informations provided in Table I in Helgi Skúli Kjartansson's article from 1978 mentioned in the previous note. In this article it is shown that even by including villages with population between 50-100 and up to 300 the overall picture is not altered substantially. p.152.
 30. These figures are based on the Population censuses (*Manntöl*), but the annual Population and Vital Statistics (*Mannfjöldaskýrslur*) show a slight difference due to other registration practices. This section is based on both these sources.
 31. *Hagskýrslur Íslands* 121 (Tables V and VI)
 32. This division is reflected in the unique category of "fishing and farming" in the 1901-population census.
 33. Theódór Friðriksson is here a good example. See furthermore the discussion of Helgi Skúli Kjartansson in "Urbaniseringsprocessen paa Island ca. 1865-1915" (1977) and "Vöxtur og myndun þéttbýlis á Íslandi 1890-1915." , esp. p 170ff.
 34. A report of the Federation of Labour in 1934, published in *Álit og tillögur Millipinganeftndar í Launamálum* (1934), p 30.
 35. See an interesting article which deals with a similar phenomenon in Newfoundland by Sider: "The ties that bind: culture and agriculture, property and propriety in the Newfoundland village fishery." in *Social History* vol. 5, no. 1 (1980), p 6. One of the merits of this article is that it discusses the stationary state of the fisheries from the particular structural features in 19th and 20th century Newfoundland. In the Icelandic roman *Salka Valka*, by Halldór Laxness, the fishing village, which was dominated by merchant Bogenen, illustrates excellently this specific character.
 36. Calculations are based on sources enlisted in note 28, and also *Tölfræðihandbók* 1974 (*Hagskýrslur Íslands II*, 63), p 9-10.
 37. Helgi Skúli Kjartansson: *Vesturfarir af Íslandi* (unpubl. thesis in Univ. of Iceland, 1974) esp. table 5-2.

38. Ibid. especially p 179; also in "Fólksflutningar til Reykjavíkur 1850-1930" (1974), p 275.
39. Ibid. (1974) p 277ff. It should be noted that the author emphasised cautiousness in not drawing hasty conclusions from the material; the differences between gross and net migrations were hard to separate.
40. Hagskýrslur Íslands 92 (Population census 1930), p 32*.
41. Árbók Reykjavíkurbæjar 1940, p 3; Árbók Rvb. 1945, p 3; Helgi Skúli Kjartansson: "Fólksflutningar til Reykjavíkur 1850-1930".
42. "The fisherman as proletarian, a fully committed and dependent labour factor, as opposed to "part-time" peasant, emerged when navigational and fishing technology and marketing means enabled year-round operations to provide for large, daily markets." Raoul Andersen (ed.): North Atlantic Maritime Cultures, Anthropological Essays on changing Adaptions, p 15-16.
43. L.Cornell: Sundsvallsdistriktets sågverksarbete 1860-1890, Chapter 12 (p 294-313). One of the definitions of migratory labour the author referred to was that: labour migrations ("arbetsvandringar") imply that a man does not change his parish registration, p 301.
44. B.Rondahl: Emigration, Folkomflyttning och säsongarbete i ett sågverksdistrikt i södra Hälsingland 1865-1910, p 81ff.
45. Skipshafnaskrár (crew lists) are hitherto an uncultivated field for historians in social and economic history. But as we note in Chapter 5 and Appendix D there are many interesting possibilities of exploiting this material.
46. Here the accounts of the trading firms (and others as well) might be of interest.
47. Gísli Gunnarsson: Monopoly trade and economic stagnation, p 34.
48. Ibid. p 27.
49. Sources: Skýrslur um landshagi á Íslandi, vol. 1, p 83f, 587; vol. 4, p 651-55; vol. 5, p 154-5, 821-2; Stjórnartíðindi 1878, 1882, 1883, 1885; Landshagsskýrslur fyrir Ísland 1899-1912.
50. Calculated from information in Gísli Blöndal: "Þjóðartekjur á Íslandi 1901-1934." in Fjármálatíðindi 1978, p 98-111); Tölfræðihandbók 1974.
51. Gísli Gunnarsson: op. cit. p 27; Gísli Blöndal: op. cit., p 105 (calculated from table 3).
52. The stockfish production was revoked after WWII as an important but highly speculative business.
53. The formula used for Figure 3.7. is as follows:

$$R\text{-v}ík \text{ foreign trade turnover rate/NNI} = \frac{X_I \times X_R (\%) + I_I \times I_R (\%)}{NNI}$$

X_I = Exports from Iceland

$X_R (\%)$ = Reykjavík's share of total exports

I_I = Imports to Iceland

I_R = Reykjavík's share of total imports

NNI = Net National Income

Sources: Gísli Blöndal: op. cit. table 4; Tölfræðihandbók 1974 (Hagskýrslur Íslands II, 63); Árbók Reykjavíkurbæjar 1940, p 47; Árbók Rvb. 1945, p 66.

Chapter 4

FARMING IN THE TRANSITIONAL PERIOD

4.1. Introduction.

In contrast to the fishing sector the farming society went through some deep-going difficulties in the second half of the 19th century, in particular during the late 1850s, 1860s and 1880s. The setbacks were not only due to "external" factors such as unfavourable climate, hardships, failures in stock-breeding and hay-harvest, but also came as a result of the specific social conditions which proceeded in the absence of severe demographic (mortality) crises. It is hardly refutable that the old farming society was facing a crisis in the third quarter of the century. This era proceeded after a period of unusually favourable conditions of farming between 1820 and 1850. The population grew rapidly, which implied that along with the growing average size of the households the children born in this period were facing an insecure future if they intended to get married and have own households - or else they were doomed to the growing layer of domestic servants. A still larger part of the new generations in farming was kept in dependancy within the lower sections of society (downward social mobility).

From a technological point of view farming did not experience any noteworthy improvements in the 19th century. The only major improvement was the import of Scottish-made scythe blades in the 1860s.(1) Another premise for more effective hay-making - the Achilles' heel of the farmers' strivings for higher productivity - was the preparation of the fields by levelling the uneven surface (*þúfnasléttun*). This was an absolute necessity for mechanized agriculture, but did not occur to a substantial degree in the 19th century.

Home-industry on the basis of rural husbandry was hardly worth the name except within the confines of the traditional home occupations which followed the old routines of production for own use mainly. Production for exchange was in this respect secondary.

Of these tasks the processing of lamb wool, knitting and rope making did occupy considerable time during low season. The so called handicraftsmen were usually skilled farmers which served their neighborhood in various ways (as saddle-makers, carpenters, blacksmiths, boat-builders, etc.) The dairy industry was a 20th century

phenomenon and not an integrated part of the farmers' daily routines. Proto-industrialisation as a rural employment did not exist in Iceland apart from the very specific relations of the farming society to the part-time fisheries.

The major sources of living in the farming society was livestock-breeding - sheep, dairy cattle and horses. While the horses could be kept outdoor all the year round the raising of sheep and cows relied greatly on the farmers' ability to harvest and store hay. The general rule was that the farmers tended to prolong the grazing period to the utmost. The hay production was insufficient to feed the livestock permanently during the whole winter. Hence, the high vulnerability of animal husbandry to the conditions of nature and the outcome of the particularly labour demanding harvest-time during late summer.(2)

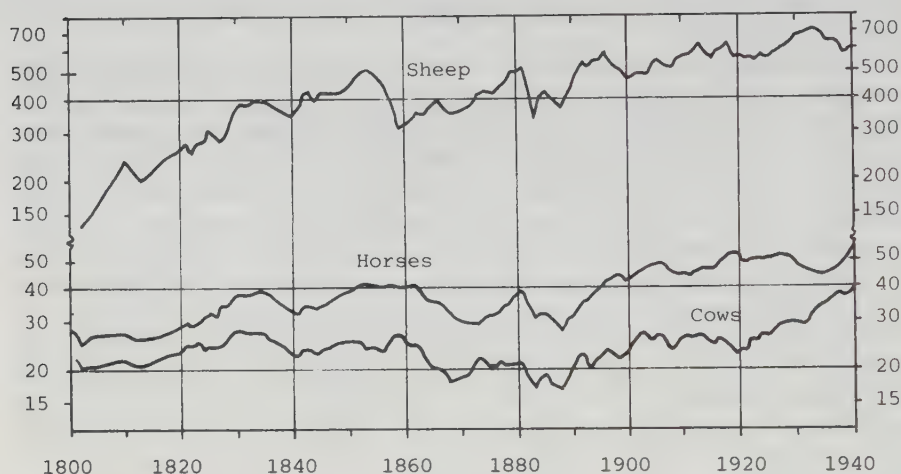
Of course there were many other factors which affected the well-being of the farmers such as the question of animal diseases, marketing problems, both domestic and foreign, and the existence of alternative occupations for the farming population. In the following we focus mainly on the structural features of the farming sector.

4.2. Main patterns of structural change in farming.

Two circumstances in Iceland's 19th century farming may be considered as having triggered off the depopulation process in the rural districts: firstly, the outbreak of the sheep-scab plague in 1856 when the sheepstock was reduced by 1/3 or more within three years, and secondly, the years of hardship in the 1880s. In the former case Þorvaldur Thoroddsen reported an upgrowth of fisheries in the South-west of Iceland, which happened to be worst hit by the plague.(3) Probably he was right, but as indicated elsewhere (Appendix B, Figure B.5.) the expansion of Reykjavík was not particularly affected by the consequences of the scab plague. The reduction of the existing resources in the farming sector may have lead to a deteriorating well-being, but the choice of alternatives to farming occupations was still limited.

The 1880s, however, designated a new era for the farming population as we already noted in the cases of the urbanization process and the emigration to N-America. It was likewise an era of an upswing in the export of livestock (live sheep and horses), mainly to Britain. Given the specific mode of farming and lucrative prices with payments in hard cash besides improved means of transportation, this commerce blossomed until 1896. Then the British market for these exports was suddenly closed. Other major farming products for exports were the customary semi-fabricated lamb wool articles, lambskin, tallow, and mutton or salted lamb meat.(4) As noted earlier the Icelandic society was highly mercantile, and in the case of

Figure 4.1 Amount of farmers' main livestock, 1800-1940. (Thousands)



Sources: Þorvaldur Thoroddsen: *Lýsing Íslands*, vol 3, pp. 300-2, vol. 4, pp. 17-19; Sigurður Sigurðsson: *Búnaðarhagir. Búnaðarfélag Íslands. Aldarminning*, pp. 307-9, 325-7, 356-7; *Árbók landbúnaðarins* 1950, pp. 108-111.

mutton and lamb (the primary staple of the farmers) the proportion of exports in relation to the produced volume was over 50% between 1911/15 and 1921/25 (See Table 4.3.).

The changes in the export structure were also a slight indication or a signal for the farmers into which direction they should strive; the traditional tallow export was declining as a result of falling prices and less demand abroad.(5)

According to my estimations the active farming population was 22.800 in 1901 against 18.200 in 1940. It was a nominal reduction by 20% and with respect to the total labour force in the country it was a decline from 62,5% to 34,7%. The marginally abundant labour force left the farming sector, first of all the female farm hands after 1910 while the males remained stationary until the Second World War or ca. 13.200 men.(6)

It might be said that the mechanization of farming was accompanied with the exodus of female farm hands. Probably it was the net surplus of underemployed farm hands and farmers' children which disappeared. In many cases the registered economically active females moved to the urban areas without necessarily applying for new employment. Marriages may in many cases have led to a reduced participation of females on the labour market, which partly explains the declining ratio of economically active females in the non-farming occupations.

4.3. Production and exports of farming products

In spite of the reduced farming population in the 20th century the agricultural output in Iceland increased; let alone the recessions in 1917-21 and in the 1930s. Productivity of labour rose; not only because of more rational utilization of labour, but also due to massive investments in infrastructural facilities which benefitted the farmers; roadwork, bridges, irrigations, etc.

The value of production from sheep and dairy cattle constituted ca. 9/10 of the farmers' incomes (within agriculture) in the period 1901-34.(7)

Table 4.1. serves to indicate the output of some primary farming products since the turn of this century. Sheep breeding accelerated more rapidly than other major branches in this sector. The milk production gained ground in the inter-war period. This discrepancy - between mutton and milk - was reflected in the different market conditions, or premises rather, for these products. While mutton was to a large degree exported (mainly to Norway and Britain) the dairy farming was confined to the limits of the domestic market in the urban areas. It was not until the 1920s that the dairy industry was established with modern technology and co-operative sales organizations, with a culmination in the period 1928-37.(8) In the previous period there were frequent complaints of shortages and the bad quality of the milk products available to the town dwellers.

Table 4.1. Key indicators of animal farming 1901-35. Annual averages.
(Base period = 1901/05)

	Milk cows		Milk production 1000 kg		Mutton and lamb 1000 kg	
	(1)		(2)		(3)	
1901-05	17.954	(100)	29.814	(100)	3.491	(100)
1911-15	18.464	(103)	33.513	(112)	5.255	(151)
1921-20	18.046	(101)	33.934	(114)	5.620	(161)
1931-35	23.226	(129)	45.798	(154)	7.460	(213)

Sources: see note 9.

In 1917 a group of milk farmers around Reykjavík organized the selling of their milkproducts in the capital. A further step was taken in 1920 when a plant was installed to pasteurize and tap the milk into bottles. The first modern large- scale dairy started production in 1928 (Akureyri), followed by a wave of dairies in the subsequent years.(10)

The preconditions for a reorientation of sheep farming from the exports of live animals in the late 19th century towards exported

mutton were implied by steps taken towards rationalization in the production process; for instance the abolition of the old and labour-absorbing method of sheep-breeding called "fráfærur" (11); increased investments in new production facilities such as slaughterhouses and dairy industry; and improvements in marketing and co-operation.

In the countryside one of the sheep farmers' intermediary solutions was a short period of creameries (rjótabú), mainly in the period 1904-16. Butter made of sheep milk was the only product and was mostly sold abroad though not in any great quantities.(12)

We saw in the previous chapter that in spite of rising exports of fish products in the 20th century the share of the farming products in the total exports remained stationary, with ca. 1/4 in the period 1901/05-1916/20. The exported volume rose considerably or almost to the same degree as the fish products. The decisive staples in this expansive period were mutton and salted sheep skins while the volume of wool products remained constant (Table 4.2.).

Table 4.2. The principal farm products exported from Iceland 1881/85 to 1936/40 (volumes and shares of total value of exports, annual average)

Years	Mutton and Lamb		Wool		Salted sheep skins		Other farm products*	Export of all farm products
	tons	%	tons	%	1000 skins	%	%	%
1881-85	880	6.3	722	11.1	48	2.1	17.1	36.6
1886-90	297	2.5	587	18.4	16	0.9	10.4	32.2
1891-95	804	5.2	924	18.3	47	2.1	9.9	35.5
1896-1900	945	6.1	765	15.7	57	1.9	11.1	34.8
1901-05	1380	6.7	724	10.5	89	2.3	6.1	25.6
1906-10	1829	6.4	817	9.7	179	3.6	5.0	24.7
1911-15	2802	7.9	926	8.4	246	3.7	3.6	23.6
1916-20	3023	10.4	744	5.6	272	3.7	1.7	21.4
1921-25	2859	6.4	779	3.4	319	2.1	1.4	13.3
1926-30	2843	4.3	682	2.8	392	3.2	0.8	11.1
1931-35	2558	4.0	848	2.4	411	2.0	1.2	9.6
1936-40	2748	4.5	549	3.0	351	3.7	1.8	13.0

*Mainly live animals 1881-1910.

Source: Hagskýrslur Íslands II,63 (Tölfræðihandbók 1974), p.128-9. Whale products are not included in the total exports.

In the inter-war period the expansion of the farmers' markets abroad was on the whole unsuccessful. The export volume was practically unaltered. If we take the meat production as an example about 40% of the production was exported in the period 1901-05, which seems to

have been more than previously. According to Gísli Gunnarsson about 27% of the average value of the meat production was "used for buying imports" in the period 1764-73.(13) Table 4.3. shows that the heyday for mutton exports was centred to a relatively short period, or from the turn of the century to World War I.

Table 4.3. Production and exports of mutton and lamb, 1901-40.

	Production 1000 kg.	Exports 1000 kg.	Export ratio (%)
1901-05	3491	1380	39,5
1906-10	4331	1829	42,2
1911-15	5255	2802	53,3
1916-20	5752	3023	52,6
1921-25	5629	2859	50,8
1926-30	6357	2843	44,7
1931-35	7460	2558	34,3
1936-40	7306	2748	37,6

Sources: See note 14.

The figures for the inter-war period show an increasing mutton production, but a stagnation of exports. The net effect was a declining export-share. In spite of a larger domestic market for the production in the 1920s (urbanization and rising real wages) the meat producers were troubled by overcapacity. Hence, the farmers turned to the breeding of dairy cattle as indicated by milk production and consumption expanding more than that of mutton after 1920.

Table 4.4. shows first of all the prosperity of sheep farming before World War I and the changed positions to the advantage of milk production in the post-war period.

In terms of productivity per head in agriculture the farmers fared well, at least from the turn of the century. Furthermore, the terms of trade of sheep products in the northern region improved almost without interruption between 1830 and 1930 at least, according to an article in 1930 by Jón Gauti Pétursson.(15)

The breakthrough, however, occurred in the 1920s which coincided with great rationalizations of the farming economy which both increased the production and tapped off the excess man-power capacity to the urban occupations.

As regards domestic consumption the statistical evidence concerning the consumption of agricultural products is unsatisfactory. It is however probable that the meat and milk consumption per capita increased in times of rising real wages and declined when the real wages fell. The situation seems to have been at its worst in 1917-18

Table 4.4. Production per economically active individual in the farming sector, 1901-40. (Per cent annual changes.)

	Mutton and lamb	Milk	Wool	Meat other than mutton and lamb
	%	%	%	%
1901-05	4.5	3.0	3.2	2.5
1905-10	4.2	0.8	1.5	-0.5
1910-15	3.7	1.6	0.0	-0.7
1915-20	1.8	-0.4	1.6	0.6
1920-25	1.4	3.4	0.4	3.2
1925-30	4.5	4.6	5.0	2.2
1930-35	-1.1	3.7	0.7	3.2
1935-40	2.9	4.2		13.4

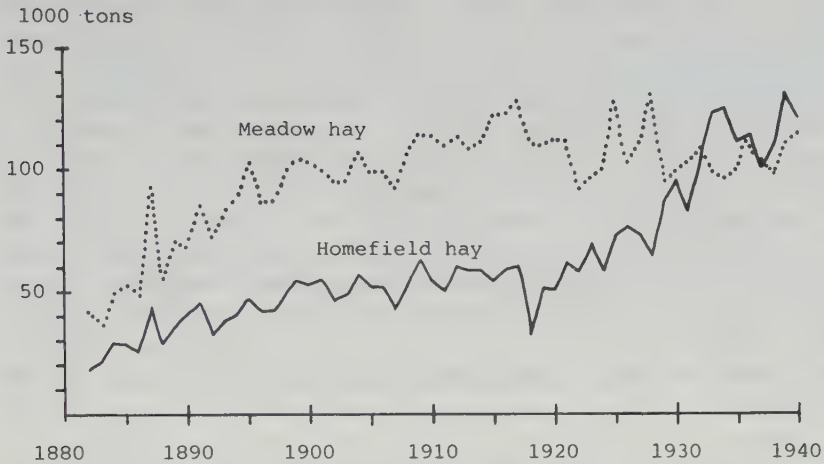
Sources: Skipulagsnefnd Atvinnumála. Álit og tillögur I, p 173; Árbók landbúnaðarins 1950, p 169.

and immediately after. In that period the real wages were severely reduced. Thereafter the consumption gradually went upwards, especially in the second half of the 1920s.

4.4. Hay production.

Still today farming is basically reliant on the cultivation of grass as winter fodder. During summer the sheep were driven to the highland pastures; the dairy cattle were kept near the farms. In winter the cows were given priority to the hay of the homefield (taða) while the sheep (and sometimes the horses) were fed on the hay from the meadows (úthey).⁽¹⁶⁾ Until the 1920s the meadow-hay constituted approximately 2/3 of the total hay-output. In the following decades the production of cultivated homefield hay production took a great leap upwards (Figure 4.2). The breakthrough of homefield grass cultivation in the 1920s was a result of the mechanization and the state supported activities which underpinned the increased hay production. In the previous centuries the hay production had constituted the major bottleneck of animal farming.⁽¹⁷⁾ If we turn the argument around we can say that the traditional methods of hay-making were highly dependent on the available man-power during summer. Hence, the indispensability of the domestic servants in the previous centuries. When this particular necessity for labour power in the summer harvesting was gradually eliminated through reforms the threat of permanent overcapacity of the agricultural work-force became even more apparent.

Figure 4.2. The hay production in Iceland 1882-1940.



Sources: Sigurður Sigurðsson: *Búnaðarhagir*. Búnaðarfélag Íslands. Aldarminning, pp. 229-31; *Hagskýrslur Íslands (Búnaðarskýrslur 1936-40)*.

The boom of the non-farming sectors in the 1920s eased this transformation of labour from agriculture, primarily affecting females/domestic servants. (See Appendix B, Figure B.4.).

4.5. Summary and conclusions.

The restructuralization of farming in Iceland, especially in the 1920s, can only be fully grasped within the context of (1) the shrinkage of exports in proportion to the total production in the 1920s; (2) the deterioration of the terms-of-trade for these products on the overseas markets combined with increasing export restrictions; (3) the growing domestic demand for farming products, (milk, butter, meat, vegetables, etc.) as a result of the ongoing rapid growth of towns in the 1920s; and (4) the farming society apparently being inferior in the competition for labour power, which caused a need for labour-saving devices, mechanization and infrastructural facilities (improved communications, co-operative marketing), state loans, subsidies, etc.

The production system of the 19th century agriculture was based on a combination of a low level of technology and an exploited class of domestic servants and cottagers who were forced to work for others in order to survive. In the early 20th century the agricultural sector went through structural changes which increased the production by independent small producers which relied on technological innovations and various forms of cooperation as they faced changed market conditions. This process was accentuated furthermore due to

the depopulation (emigration) in the 1880s and the rationalization measures during the 1920s. In the intermediate period some gradual reforms occurred supporting owner-occupancy. The typical farmer possessed both what he produced and the means of production he used. His freedom, however, was restricted to increased production for markets at home and abroad; i.e. production for exchange. If subsistence farming ever has existed in Iceland it was decisively behind around the turn of this century. On the other hand, the well-to-do farmers, who produced mainly for exchange, had to face changing realities when the domestic service and ownership of landed wealth was declining. Wealth gained through extra-economic coercion (extra-economic coercion of tenants, and both economic and extra economic coercion of domestic servants) was either plunged out of the farming sector or used for the purposes of rationalization to meet new requirements.

Notes to Chapter 4.

1. Þorkell Jóhannesson: *Lýðir og landshagir I*, p 292ff; Magnús Jónsson: *Saga Íslendinga IX,1*, p 236ff. The scythe-blades were first imported in 1867, according to the import statistics, see Sigurður Sigurðsson: *Búnaðarhagir* (Búnaðarfélag Íslands. Aldarminning, síðara bindi), p 219f.
2. Sigurður Sigurðsson: *ibid.* chapter 7.
3. Þorvaldur Thoroddsen: *Lýsing Íslands*, vol. 4, p 347.
4. See for the period 1880-95 Sveinbjörn Blöndal: *Sauðasalan til Bretlands* p 21.
5. Jón Gauti Pétursson: "Verslunarárferði landbúnaðarins í 100 ár." in *Samvinnan* 1930, p 143, 148. This led to a reorientation from fat sheep towards emphasis on meat production, especially after 1880.
6. This is furthermore discussed in Chapter 7 which deals primarily with the population censuses.
7. Skipulagsnefnd Atvinnumála. *Álit og tillögur I* (1936), p 172.
8. Sigurður Sigurðsson: *op. cit.* pp 376-95; *Árbók Landbúnaðarins* 1950, p 173ff; 1970: p 79-89; *Búnaðarskýrslur* 1958-60 (*Hagskýrslur Íslands II*, 27). pp 36*-41*
9. Column 1: Skipulagsnefnd Atvinnumála. *Álit og tillögur I*, p 165; for the year 1935: *Árbók landbúnaðarins* 1950, p 169.
Column 2: Col.1 x average yield of milk according to *Árbók landbúnaðarins* 1950, p 169-70 (1901-05 = 1650 kg.; 1911-15 = 1813 kg.; 1921-25 = 1875 kg.; 1931-35 = 1984 kg.)
Column 3: Skipulagsnefnd Atvinnumála. *Álit og tillögur I*, p 164.
10. See note 8.
11. F.ex. Skipulagsnefnd Atvinnumála. *Álit og tillögur I*, p 175; also *Árbók landbúnaðarins* 1950, p 173-4. "Fráferur" means "separation"; that the lambs are taken from the ewes and grazed in distant pastures while the ewes are kept near the farm and daily milked.
12. *Árbók landbúnaðarins* 1970, p 79.
13. Gísli Gunnarsson: *Monopoly trade and economic stagnation*, p 27.
14. See moreover in Ólafur Björnsson: *Þjóðarbúskapur Íslendinga* (1952), p 121-24; *Tölfræðihandbók* 1974, p 128.
15. Jón Gauti Pétursson: *op. cit.* p 146-7. According to this source the terms of trade of sheep products improved almost uninterruptly between 1830 and 1930.
16. Þorsteinn Þorsteinsson: "Rural husbandry." in *Iceland* 1946, p 90.
17. Sigurður Sigurðsson: *op. cit.* p 217, 221-25.

Chapter 5

MAIN TRENDS IN THE FISHING SECTOR

- fleet structure and fishermen

5.1. Introduction.

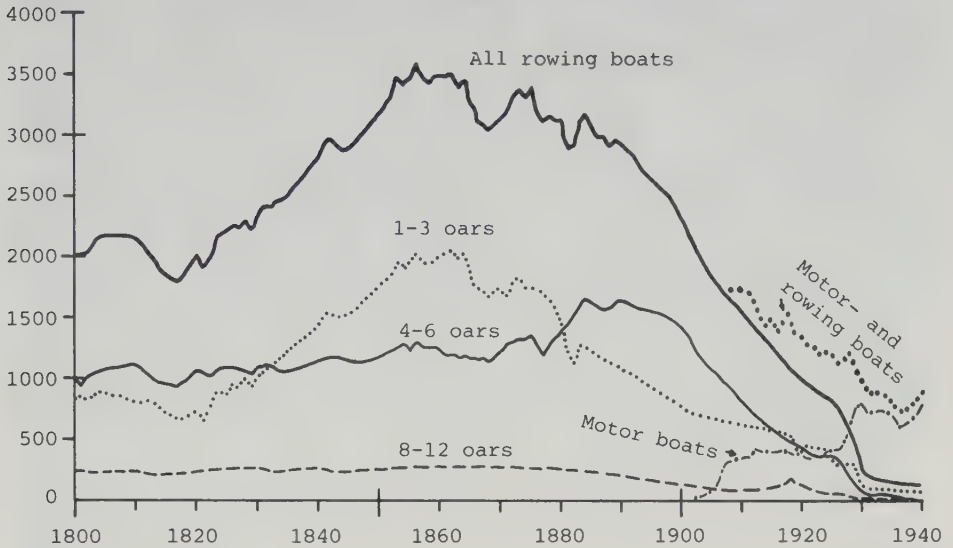
Since the fishing sector was the leading sector in Iceland's transition with regard to proletarianization and capitalist development I considered it appropriate to investigate this sector more thoroughly than others. In this chapter the sources, which concerned the fisheries only, are utilized to analyze the historical pattern from the rowing-boat era to industrial trawling. One of the purposes in this chapter is to trace the dynamic patterns of class formation within the group of fishermen with respect to the development of the means of production (fleet categories and the fishing gear), their use as such (duration of season(s)), and their localization. In Appendix D the degree of centralization to Reykjavík is analysed in detail. Chapter 6, however, is intended to provide a balanced account of the occupational structure as a whole.

The rotation of the fishermen between place of residence and the place of seasonal occupation, and the rotation between ships, played not an unimportant role for the fishermen's formation to a coherent group. In order to make a sociological distinction between the number of part-time fishermen and the full-time fishermen I to begin with divide the seamen into two main categories, where the size of the fishing vessels plays a central role.

5.2. The rowing boats.

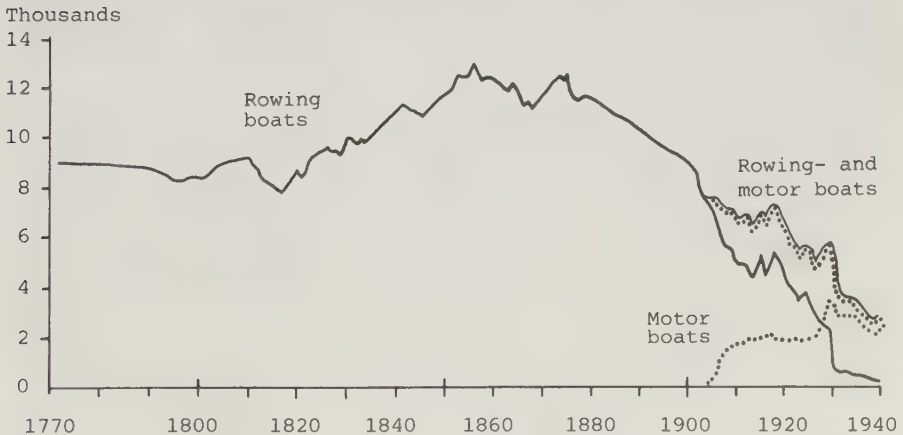
A maximum of 8.000 and 13.000 thousand fishermen on the rowing boats alone could simultaneously fish in the 18th and 19th century. Measured with regard to the existing workforce it illustrates the indispensability of the fisheries in Iceland. Take for instance the culmination era in the mid-19th century. The population census of 1855 shows that the total number of males aged between 15 and 64 - that is the male workforce roughly speaking - was nearly 19.000 thousand. The capacity of the rowing boat fleet was then ca. 12.500. This means that about 2/3 of the total male labour force in the

Figure 5.1. Rowing boats and small motor boats 1800-1940.



Sources: Skýrslur um landshagi á Íslandi; Stjórnartíðindi fyrir Ísland (B&C); The National Archives: "Skýrslur um þilskip, opin skip og báta 1875-1899; Landshagskýrslur fyrir Ísland; Fiskiskýrslur og hlunninda (Hagskýrslur Íslands).

Figure 5.2. Man-power capacity of fishing boats 1770-1940: Rowing boats and motor boats.



Sources: See Figure 5.1.

country could fish at the same time. This result should be weighted against the total number of registered male fishermen in the same population census (including the male servants) which was only 1531.(1) This supports the conclusion that the fisheries in the 19th century to a very great extent were either seasonal or casual, with the farming sector still in a good position to utilize the existing labour sources.

The pre-capitalist character of the social formation in Iceland was preserved in this respect. About 1/5 of the boat-capacity belonged to the predominately agricultural regions, which indicates the lack of social division of labour between fishing and farming.(2) Part-time and casual fishing predominated the production process in the rowing boat era, while pastoral farming formed the social backbone on which the fisheries were to depend. The available labour resources in the society were to serve the farmers' interests with the fisheries as a complementary element.

The first experiments with a motor boat were performed in 1902, and in the following years such boats rapidly increased in number. In the following decades, until the end of our period, the combined number of the rowing boats continued to decline unceasingly - except during the First World War. This decline was most clearly marked between 1905 and 1913, and in the period 1918-1930 the rowing boats almost disappeared. This decline was partly counteracted due to the increase of the motorboats, which occurred in two major phases; 1903-12 and 1927-29, but did not reverse the general reduction in the number of small fishing boats.

The motor boats were obviously a labour-saving device, only requiring 5 men per boat as compared with the average of 9 men on the large rowing boats. This in turn accentuated furthermore the declining impact of these fishermen in the fishing sector, at least with regard to labour power. But, in terms of productivity, however, the picture becomes more complicated.

We can indeed question whether there was any decline in production since the early 1900s because of the great advantages of the motor boats. They were used for a longer period of the year; the range or the fishing area was extended; the catches increased significantly; they were labour-saving and multiplied the productivity level. This is indicated for one year only, in table 5.1. The simple comparison in this table shows clearly the differences in the production capacity. The larger operation-range of the motor boat combined with speed was here an advantage, but with the important reservation that it was usually larger than the rowing boat. The table reveals the fact that the motor boats did not stretch the length of the fishing season by more than a month, the average being almost four months. Some boats were used a little longer and some for a shorter time, but the spread was limited. This petty mode of production could exist on a basis of an elastic labour market and

Table 5.1. Some indices for a comparison between the rowing boats and the motor boats (less than 12 GRT) in 1920.

	<u>Rowing boats</u>	<u>Motor boats</u>
Number of boats	1002	355
Total catches (tons)	13.400	21.300
Catches per boat (tons)	13	60
Average fishing season (months)	2.8	3.8
Monthly catches per boat (tons)	5	16
Catches per head/season (tons)	3	11

Source: Hagskýrslur Íslands: Fiskiskýrslur og hlunninda 1920, (Hagskýrslur Íslands no.36), Reykjavík, 1923.

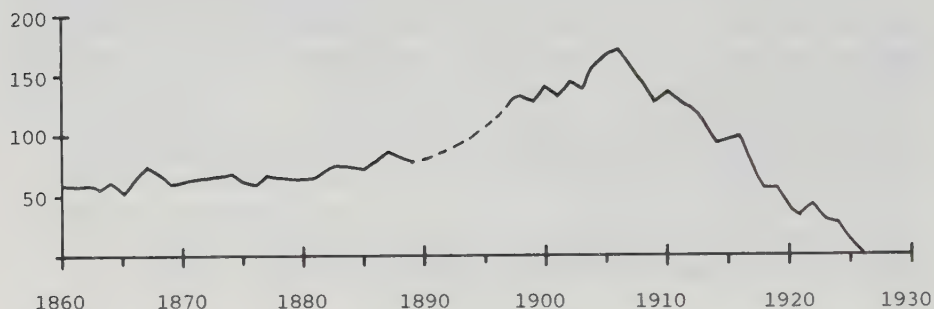
varifying economic activities. This situation in turn delayed - or was a barrier to - the growth of class consciousness among the fishermen. The growth of the labour unions was greatly affected by the very structure, or let us say composition, of the fishermen as a whole. It can, therefore, be argued that this group of "marginal fishermen" did hardly compose a part of the Icelandic "class" of fishermen in the socio-political sense.

5.3. The decked sail vessels.

The height of the sail vessels era in Iceland lasted between 1880 and 1906 and a little longer in Reykjavík or to 1910-11. The total impact of this phase is still an unsettled issue in the economic historic context. What usually is mentioned in this case is that the fish exports increased rapidly in the last quarter of the 19th century although some improvements occurred in the first half of the century too; that urbanization began in the coastal towns in general where the vessels gained stronghold; that a growing number of wage-workers raised their living, separated successively from the farming community in contrast to the remaining semi-proletariat.(3) The point here is that the social impact of the growing fleet of sailing smacks was not only measured in terms of the total amount of these vessels. As in the case of Reykjavík, the size, and corresponding capacity was greater than elsewhere.(See furthermore Appendix D).

In Table 5.1. the indicated length of the fishing period for the rowing boats and the motor boats is roughly 2-4 months. This equalled a period of one fishing season, usually during the spring. The relevant thing here is that the sail vessels were utilized in a period stretching over two fishing seasons, or on the average between 5 and 7 months by regions; in the Southwest, when this business culminated, the average for the main bulk of vessels was ca. 8 months. In Vestfirðir and Norðurland this pattern was quite

Figure 5.3. Decked sail vessels in Iceland 1860-1930.



Sources: Skýrslur um landshagi á Íslandi; The National Archives: "Skýrslur um þilskip, opin skip og báta 1875-1899"; Landshags-skýrslur fyrir Ísland; Fiskiskýrslur og hlunninda (Hagskýrslur Íslands).

different. The vessels were smaller; so was the crew, and both the timing and duration were different. They began operations later than in the Southwest, usually in April, and lasted to late August or early September. This means that the effective fishing period (whether one season or two) was around 5 months, but hardly more.

In Norðurland the high season was in late winter when the shark roused large interest, but the cod came mostly during the summer and the herring in late summer. Then the high season within the pastoral agriculture demanded the extra efforts of the working people, mainly during the hay harvesting season.

5.4. Steam and motor vessels (not steam trawlers).

The first steam ship began operation in 1903 and the first motor ship in 1906. The motor ships were smaller than the steam ships and had fewer crew-members, but were by far more used in the spread and small coastal towns of Iceland. In total numbers the fishermen on the motor vessels outnumbered the other categories of fishermen in the years immediately after World War I. This increase most of all counterbalanced the decline of the sail vessels fleet. The crew was smaller on these ships than on the outmoded sail vessels and they can therefore be labelled as a labour-saving device in the mechanization era, replacing the smacks as the most common means of fishing - if we exclude the boats. The steam ships were frequently utilized during the short herring season outside the northern coast. In some other periods they were used to catch cod although not having the same advantages as the steam trawlers in that respect.

5.5. The steam trawlers.

If something particular in the Icelandic economic history is to remind us of the industrial revolution the arrival of the first Icelandic trawler comes first to the historian's mind. Here, we only attempt to present the development of the trawling industry in order to relate it to the ongoing formation of the fishermen-class.

The Englishmen had already begun operating steam trawlers in the 1870s, but did not enter Icelandic waters until 1890 or so.(4) In 1899 some experiments were made by foreign capital to run this business from Icelandic fishing bases with Icelandic participation only pro forma to circumvent legal restrictions. In 1905, however, the unbroken thread of Icelandic trawling industry began. This business was furthermore supplied with foreign capital by a newly established investment bank in Iceland (Íslandsbanki) in 1904.

Table 5.2. The steam trawlers and resp. fishermen, 1905-1940.

<u>Year</u>	<u>Trawlers</u>	<u>Fishermen</u>	<u>Fishermen/ship</u>
1905	1	15	15.0
1910	6	124	20.7
1915	20	413	20.6
1920	28	675	24.1
1925	47	1223	26.0
1930	41	1106	27.0
1935	37	985	26.6
1940	35	765	21.9

Source: Landshagsskýrslur fyrir Ísland; Fiskiskýrslur og hlunninda 1912-1940 (Hagskýrslur Íslands).

The booming era of the steam trawling industry was concentrated to the period 1912 to 1930, the most revolutionary period of the Icelandic economy as a whole. The trawlers had manifold effects on the social and economic development: catches and productivity of labour increased dramatically, and so did the concentration of the fishermen in the Southwest region, mainly in Reykjavík and the neighbouring fishing towns. The concentration and centralization of the capital in this sector was something unsurpassed by all contemporary standards in the country.

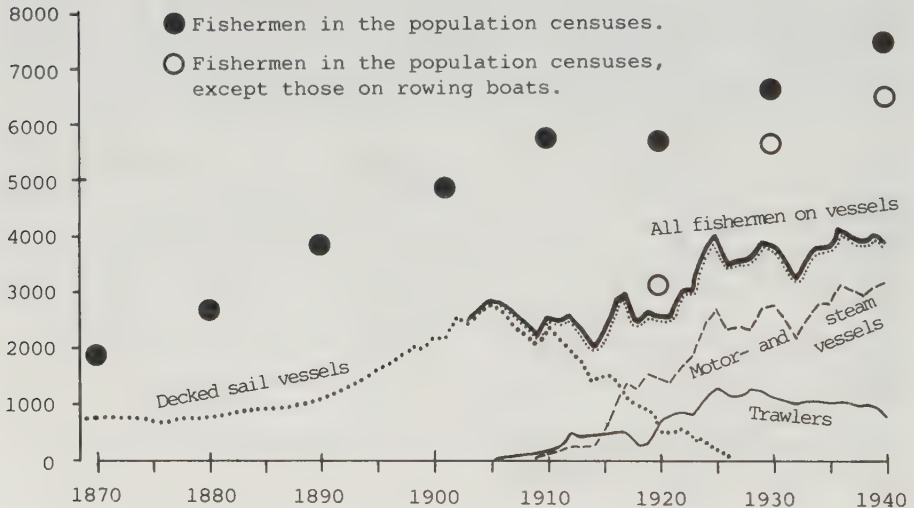
5.6. The fishermen as a whole.

In this section the fishermen on the decked fishing vessels are examined. Although the division can be problematic the unavoidable fact remains that the rowing- and motor boat-fishermen were by our

criteria quite marginal. In order to investigate further the difference between the fishermen on the boats and the larger vessels I have utilized the population censuses to make the social point more clear. A comparison between the censuses and the production statistics does show two main facets with respect to the 19th century and the 20th century respectively.

The fishermen combined are shown in Figure 5.4. for the period 1850 to 1940. They are also differentiated according to the vessels categories in the 20th century (unnecessary for the 19th century).

Figure 5.4. A comparison of fishermen in Iceland by two main principles of registration; population censuses and fisheries' statistics, 1860-1940.



Sources: The Population Censuses of Iceland; Skýrslur um landshagi á Íslandi; Stjórnartíðindi fyrir Ísland (B&C); Landshagsskýrslur fyrir Ísland; Fiskiskýrslur og hlunninda (Hagskýrslur Íslands).

The formation of proletarianized fishermen happened in the first instance during the era of the decked sail vessels. Between 1880 and 1905 they increased more rapidly than ever. After a period of stationary level and even decline before WWI a new expansion occurred, culminating in the 1920s.

The censuses always showed higher levels than the fishing statistics with regard to the fishermen. At least two main factors can explain this difference. Firstly, there prevailed a wide range of activities of the male population in the fishing sector, with fishing for many still being a part-time occupation, although registered as whole-time fishermen in the censuses. During the 19th century the rowing boats were a complementary element of the fisherman's prod-

uctive participation when the sail vessels were still so few. In the 20th century, this uncertain element of the fisherman's life became successively eliminated although the directly economic cycles were still present.

Secondly, the seasonal character of the fisheries provides a key to the answer. Many fishermen preferred to work only one season or two, and then moved back to their place of settlement, maybe far away from the actual fishing region. Others took over their place as fishermen, or the vessel was used for other purposes or changed fishing methods, which frequently led to replacements among the crew-members. The rotation of the fishermen was an important phenomenon which makes the difference in the statistics more understandable. While the number of fishermen on the larger vessels was about 40 per cent of the census-registered fishermen in the 19th century, this proportion had risen to ca. 75 per cent in the 1920s and 1930s. This is a sign of increasing specialization of fishermen (max: 79 per cent in 1930, after a long lasting boom period in the fishing sector).(5) The difficulties of the fishermen increased in the world crisis in the thirties when the capitalistic enterprises in the fishing sector ran into serious troubles.

5.7. Main steps in the development of the Icelandic fisheries.

The capitalist development in Iceland was in the beginning based on the technological revolutions within the fishing sector primarily.

The steam-trawler was the decisive stage in this process by creating possibilities for the seamen to be employed the whole year. The impact of the growing fleet of trawlers was not least due to the more permanent character of work and wage-labour being paid in cash, and it also resulted in over-work, working class concentration, a relatively stabilized labour movement and trade unions, growing class consciousness, greater emphasis on a modern social security system, etc.

In the second half of the 19th century the first significant steps towards capitalized fisheries were taken in Iceland when the decked sail vessels were utilized yearly. In the long-run, however, both as means of production and as objects of capital investment the sail vessels fettered further capitalistic development and strivings for rised productivity within the fishing sector. In technical terms the sail smacks were relatively small and not mechanized. During the winter, for example, the vessels were usually kept on dry land for months, idle as a capital for their owners.

The main technological achievement the sail smacks brought was that they enabled the seamen to follow the somewhat treacherous fish migrations over a wider offshore area - to deeper waters. This was practically impossible to perform on the rowing boats, usually bound

to the inshore waters, which in turn could bring misery to the fishing population in previous centuries. This could and did occur while Dutch and English vessels instantly caught plenty a little further offshore.

In Social terms this technique of using sail smacks implied that a permanently employed group of seamen was successively established. The social nexus between fishing and agriculture wasn't broken until the final stage of the decked vessels era.

With improved fishing techniques the seamen could be employed a still longer part of the year which in the 1890s led to a situation where seamen preferred to stay idle or underemployed in the urban areas while waiting for a new season. The social division of labour became clearer in periods of economic expansion and technical improvements. The 'age of the decked sail vessels' (ca.1880-1910) as an intermediary period of proletarianization had these characteristics, at least towards the end. But, the really revolutionizing period came with the trawlers, speeding up the social and economic transitional process till the crisis came in the 1930s.

As a reflection E.P.Thompson's phrase that he once wrote about England is illustrative:

"However different their judgement of value, conservative, radical, and socialist observers suggested the same equation: steam power and the cotton mill=new working class. The physical instruments of production were seen as giving rise in a direct and more-or-less compulsory way to new social relationships, institutions, and cultural modes."(6)

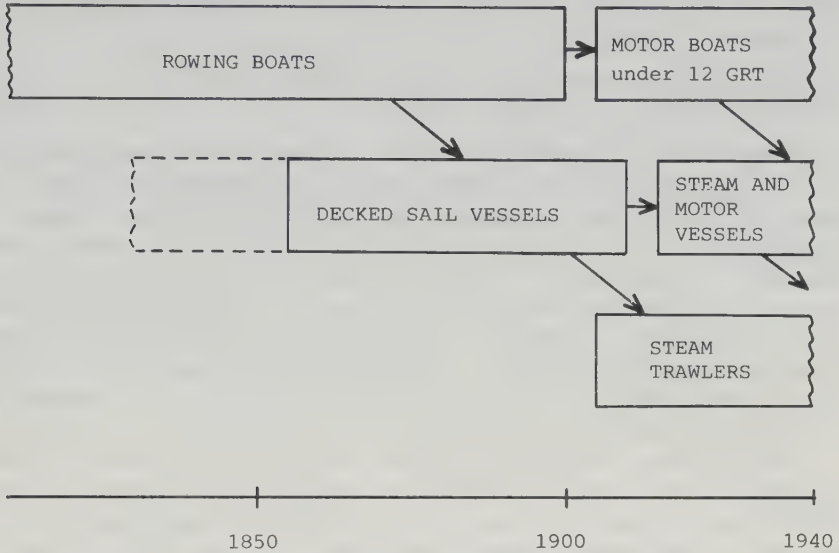
As a metaphor for Iceland it is proper to emphasize the validity of the formula: steam power + steel ship + trawl = new working class.

The technique in the fishing sector during our period can be conceived both as linear and differentiated at the same moment. Figure 5.5. is intended to illustrate this. It shows that the "ideal" pattern of development ran along the line from the open rowing boats via the decked sail vessels to the steam-trawlers. In retrospect this was the "true" development pattern, which constitutes the analytical framework for the social and economic transition in Iceland's modern history.

Also, the growth pattern simultaneously became more differentiated as the old production means (the rowing boats and the sail vessels) continued to exist alongside of the steam-trawlers although declining in importance. The retreating productive means were replaced by motor boats, and steam or motor vessels.

This technical differentiation within the fishing fleet tells a certain story. The seamen as a social category were a combination of people practically working all year round on the basis of the capitalist production relations; and other groups of seamen working less than a

Figure 5.5. Structural changes of the Icelandic fishing fleet, ca. 1850-1940.



year under conditions of labour in small-scale production which more or less prevented the growth of the proletariat as a class with a distinct class consciousness. This situation was apparent in the small fishing villages and towns in the 1910s and 1920s as contrasted with the greater fishing towns of Iceland (with over 1000 inhabitants). Until 1930, trade unions in Iceland were exclusively an urban phenomenon and mainly bound to the fishing areas.(7)

The discussion in this section has mainly served the purpose of emphasizing the role of the fishing sector in the process of social division of labour.

The findings support the conclusion that the sail vessels era was the decisive stage in the formation process which established a distinctive labour force freed from the servile obligations of the farming community. This was a proletarianization process in the double sense of the term; a dissolution from land and consequently a non-ownership of the means of production, and a further step towards wage-work based on money exchange. Furthermore, the right of possession of the fisherman's part of the catches became gradually symbolic only, which was highlighted in the final loss of the trawler fishermen of the possession right to the cod-liver in 1916. Then they at least lost their formal rights, and were paid as usual according to quantity and bargained price of this particular product.

The development of capitalist industries was, however, not only associated with social division of labour, but also the division of labour within the production process. Below, only the fundamental traits of this division within the fisheries are presented.

The step from the rowing boats via the motor boats and medium sized vessels to the steam trawler - often labelled as the "mechanization process" - was the unity of at least two paths of technological development relying on:

- a) the capacity of the fishing vessel as such, and
- b) the properties of the fishing gear.

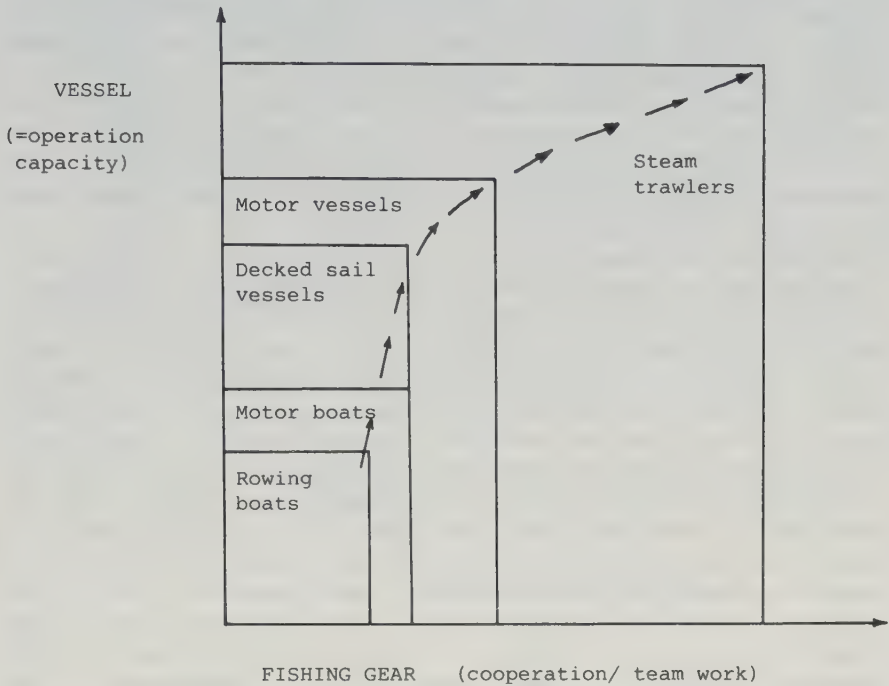
The former element has usually been applied in the text books as a metaphor for the "mechanization" or the "industrial revolution". This criterium serves only roughly the intention of this study, to understand the specific division of seamen in a socio-economic context. The extension of fishing areas utilized, the duration of seasons and the specialization of occupations onboard (deck hands, cooks, machinists, stokers, etc.) were here admittedly important moments. This could also be practiced on the basis of conventional fishing gear such as the handline or the longline. The decked sail vessels were typical in this sense.

The physical properties of the fishing gear provide a second dimension which tends to emphasize further the innovating character of the steam trawler fisheries. The use of trawls comprised a decisive moment in the labour process and convulsed the rhythm, and the levels of skills and co-operation more powerfully than any other fishing method.

Figure 5.6. illustrates a two-dimensional technological development of the fisheries along the paths of "vessel capacity" and properties of the fishing gear. Fishing-nets were mainly used during the herring season (herring was in domestic trade important as a fishing bait) and had passed through several stages of development during the previous one hundred years. Often the motor- and steam vessels combined these fisheries by using nets for the herring fisheries and longlines for demersal (or white fish) fisheries. The handline - associated with forms of individual wage-fixing on the sail vessels was here replaced by wage premiums on a more standardized basis of catch sharing.(8)

In the demersal fisheries the steam trawlers constituted a totally new form of catching and fixing of wages, more reminiscent of factory work than previously. If the trawlers established a new landmark of operative capacity in the fishing industry they were still more of a revolution in the use of fishing gear; the trawl par excellence. Not because of any noteworth, capital expenses on fishing nets and trawls, but, rather as the result of extended collective work beyond navigation towards more sophisticated fishing methods. This distinction shows interesting parallellisms between the concepts of a "fisherman" and a "seaman", which in the old usage had quite different practical contents. A man could be a good seaman without necessarily being lucky as a fisherman. On a smaller vessel or a boat a good foreman was primarily esteemed according to his capabilities of

Figure 5.6. A two-dimensional technological development of the fisheries in terms of vessels operating capacity and fishing gear.



weather forecasting, navigation, and protection of the lives and limbs of his crew.(9)

In contrast to this the catches relied for the most - it was assumed - on the individual efforts and luck of the crew-members, which in their turn were esteemed as fishermen according to their fishing-skills. This distinction could continue in full force so long as the fishing gear remained simple and manageable for one or a few fishermen. The steam trawlers and other vessels with "mobile" fishing gear (10) eliminated almost totally this relationship and the care of the fishing gear was put under the supervision of the captain and his closest seconds.(11) This transfer and concentration of responsibility and power contributed to the culminating domination of the trawler captain, while the role of the ordinary "fisherman" was altered semi-skilled deck hand. He became a mere moment and auxiliary within the labour process and henceforth subordinated in the real sense to the capitalist production process. It remains for later chapters to deal with the consequences of these metamorphoses and to see how the social conditions and health of the seamen were affected by these work conditions.

The trawlermen were originally wage-workers who were only partly paid in accordance with the catch (liver- and herring premiums). The fishermen on the smaller vessels usually earned an agreed share of what the catch was worth. Hence, their incomes relied more on individual efforts aboard as compared with the relatively fixed wages of the trawlermen, who consequently had greater incentives to struggle for higher wages within a labour-capital relation. The individual efforts were replaced with the collective efforts of the vanguard group of seamen through trade union bargaining. The trawlerman was hardly capable of increasing his tempo of work as he already was over-exploited in his hard labour.

In an article from 1936, Geir Jónasson, makes an interesting comment on the period 1880-1914 as characterized by "simple, manufactural technique of production." (12) No further efforts were made by the author to give this phrase a precise meaning. But it seems to me that he understood well the character of this economic phase. During this period the fishermen were not permanently employed. Big "holes" of inactivity occurred in the year cycle, both for the labourers and the ships (the fixed capital).

As often noted the classical manufacture was characterized by pre-capitalist handicraft production under one roof. The production process was not revolutionized, but the advantages of the division of labour in production were exploited. So it was too with the sail vessels. Instead of a big house, or a factory, we have a ship. But, in contrast with the trawlers later, the means of labour were not improved specifically in the 'Icelandic age of manufacture'. The primitive handline was nothing but a fossil in the stream of technological advances in the fishing sector. Catches were frequently made on an individual basis; one man fishing with his hook or hooks, among his ten or twenty fellows. More sophisticated catching methods were introduced in this period, creating a more diffused picture of the technical development process. In this somewhat diffused technological process in the late 19th century and the first decades of the 20th century we can trace some of the fundamental problems of the increasing proletarianization and the specific social conditions for the working-class struggle towards an improved standard of living.

Notes to chapter 5.

1. Folketællingen paa Island 1. oktober 1855, in Meddelelser fra Det Statistiske Bureau, fjerde samling.
2. This is partly illustrated in two admirable figures in Sigfús Jónsson: Development of the Icelandic fishing industry 1900-1940, p 91, 116; also illutrated by same author in "The Icelandic fisheries in the pre-mechanization era, c. 1800-1905", in Scand. Econ. Hist. Review no. 2:1983, p 135 and 147.
3. Proletarianisation is perceived as a divorce from the means of production and a situation where "wage-work" prevails.
4. Jón Þ. Þór: Breskir togarar og Íslandsmið 1889-1916, ch. 1.
5. Manntal á Íslandi (Population census of Iceland); Hagskýrslur Íslands no. 92.
6. E.P.Thompson: The making of the English working class, p 209.
7. Svanur Kristjánsson: Íslensk verkafýðshreyfing 1920-1930, p 18.
8. Skipulagsnefnd Atvinnumála. Álit og tillögur I, p 499f.
9. Ásmundur Helgason: Á sjó og landi, (1949), pp 269-79. See also an interview with Gísli Pálsson in Þjóðviljinn 24/12 1981.
10. Gísli Pálsson: ibid.
11. See in Ásgeir Jakobsson: Tryggva saga Ófeigssonar, esp p 99-175.
12. Geir Jónasson: "Framfarir í fiskveiðum Íslendinga ca. 1880-1914." in Andvari (1936), p 89-96.

Chapter 6

OCCUPATIONAL DIVISION, SOCIO-ECONOMIC STRUCTURE AND FEMALE WORK IN REYKJAVÍK AND ICELAND, 1855-1940.

6.1 Introduction.

Generally the population censuses of various countries are the only sources which cover the occupational activities of the total population. No other sources can replace the value of the censuses in that respect. Other sources are first of all complementary and contribute to a deeper understanding in studies of the subject. Not until the 1930s some rudimental labour statistics were available in Iceland, based on industrial statistics outside the fisheries.(1) My aim here is first and foremost to start a process which might lead to a deeper knowledge of the Icelandic socio-economic structure of the past and present. This I have done in four stages: Firstly, through an illustration of the changes in the Icelandic occupational division. Secondly, though the study of the class division, or more precisely: the socio-economic classification. Thirdly, I analyse the economic participation of women within the general occupational structure. Fourthly, I have examined Reykjavík separately and compared the results to the country as a whole.

This chapter deals mainly with the main traits of the employment structure on the basis of this four-fold division while Appendices A and B are intended to penetrate selected aspects in more detail.

6.2. Outlines of the occupational division in Iceland.

The occupational structure affirms the static character of Iceland as a farming society prior to 1880. In combination with the fisheries, still then as a rural occupation, about 90% of the labour force was tied to the traditional way of living although the population censuses show a gradual but slow shift towards fishing. The proportion of the farming labour force (including farmers and farm servants; of the 'educated classes') declined from 85,8% in 1855 to 78% in 1880, while in 1940 only 34,7% belonged to the farming occupations. By then the occupational structure was totally different, comprising a fishing sector which absorbed 19-20% of the labour force while almost 50%

belonged to 'secondary' and 'tertiary' occupations. From 5% in 1880 manufacture, commerce and transports employed 29% in 1940. The expansion of the public services from 1% to 9% in this period was highly associated with the changing function of the state in the social and economic development. This change signified the extension of public services from a 19th century, administrative apparatus to health and education at the turn of this century and the sphere of economic infrastructure in the 1920s and 1930s.

In absolute numbers the farming population in total remained ca. 54 thousand between 1855 and 1880, while the economically active increased slightly. In the next 60 years the former category decreased by 29 per cent and the economically active a little less, or by 23 per cent. The farming community went through fundamental changes in more than one sense. Here, two factors are relevant:

Firstly, the farming sector was in the 19th century and early 20th century a major source of labour recruitment to other sectors of the economy, and of emigration to America. The 1880s designated a new era with regard to this. Compared with the 1860s, the farmers had in the 1880s a number of choices in the face of a catastrophe within the pre-transitional system. The fishing "sector" absorbed more labour power and had also improved technologically, which paved the way for the fisheries as a new occupation with seasonal restraints though. Fishing towns grew in size and numbers, some being literally built up from scratch.

The second major alternative was to emigrate to N-America which became the final destination for over 12.000 thousand persons from ca. 1873 to the end of the 19th century. The mass emigration was quite eminent in the northern- and north-eastern parts of Iceland. In the 1880s, when over 7.400 persons abandoned the agricultural sector, the number of emigrants was almost 7.000, or 13,8% of the total population in the 1880s, the majority coming from the farming sector.

Secondly, the composition of farm hands changed. While the number of farmers remained stationary in the transitional period the total net changes of the labour force in this sector were mostly due to changes in the number of farmer servants. Thus, the net reduction of the economically active population between 1880 and 1940 (-5.517) was first of all the result of an exodus of the subordinates, mainly female servants after 1910. If the dependants were included here the reduction would show much more dramatic changes, (See Appendix B, Figure B.1.)

The correspondence between the growth of the fishing population and the declining proportion of the registered farming population is a well known fact. This is especially obvious for the 1850s, the 1880s and 1920s when the economic conditions of fishing were unusually favourable compared with the crisis-ridden agriculture at the same time.

Table 6.1. Economically active in Iceland by occupation, 1855-1940. (Numbers and Per cent.)

	1855	1860	1880	1890	1901	1910	1920	1930	1940
Farming	22.663	23.029	23.724	19.932	22.800	22.362	20.567	18.822	18.207
Fisheries	} 1.531	1.881	2.679	3.881	{ 4.880 1.320	5.758	5.671	6.598	7.407
Fish processing						1.236	1.476	2.929	2.465
Manuf./construction(private)	343	362	688	971	2.177	3.355	4.398	5.348	7.394
Commerce/trade	} 384	436	816	1.375	{ 641 1.067	1.222	2.106	3.231	4.001
Transports						1.526	1.880	2.826	3.566
Private, personal services	925	1.191	1.745	2.255	1.735	3.976	3.506	4.664	4.733
Public services	279	252	252	333	739	1.145	1.512	2.974	4.732
Unspecified occupations	285	288	532	809	1.141	219	325	85	16
Total:	26.410	27.439	30.436	29.556	36.500	40.799	41.441	47.477	52.521
Farming	85.8	83.9	77.9	67.4	62.4	54.8	49.6	39.6	34.7
Fishing	} 5.8	6.9	8.8	13.1	{ 13.4 3.6	14.1	13.7	13.9	14.1
Fish processing						3.0	3.6	6.2	4.7
Manuf./construction(private)	1.3	1.3	2.3	3.3	6.0	8.2	10.6	11.3	14.1
Commerce/trade	} 1.5	1.6	2.7	4.7	{ 1.8 2.9	3.0	5.1	6.8	7.6
Transports						3.7	4.5	6.0	6.8
Private, personal services	3.5	4.3	5.7	7.6	4.8	9.8	8.5	9.8	9.0
Public services	1.1	0.9	0.8	1.1	2.0	2.8	3.6	6.3	9.0
Unspecified occupations	1.1	1.1	1.7	2.7	3.1	0.5	0.8	0.2	0.0
Total:	100.1	100.0	99.9	99.9	100.0	99.9	100.0	100.1	100.0

Sources and methods: See Appendix A.

The intermediary link between the decay of the old pastoral farming and the socio-economic changes between 1880 and 1930 was undeniably the commercialization of the fisheries - the leading sector in this process. In the proletarianization process the fishing sector was decisive as a stage which transmitted excess labour from agriculture to the rising coastal towns with Reykjavík as the exponent example. This culminated in the era of steam-trawling as a large-scale activity in the early 1910s. In combination the fisheries and fish processing indicate that the mobilization of labour was primarily a late 19th century phenomenon, mostly concentrated to the 1880s and 1890s. An increase from 2.700 in 1880 to 6.200 in 1901 implied that the fishing sector employed 8,8% and 17,0% respectively. This process continued until 1940, although slowly, except in the 1920s. The censuses show a breakthrough of the rising class of fishermen in the 1880s and 90s which does only tell a part of the story. These were times when the fishermen were increasingly working on decked sail-vessels with limited capacity for yearlong occupation. Still, seasonal employment was one of the characteristics of the production system. But, the fact remains that the "age of the decked sail vessels" (ca. 1880-1910), when labour-extensive fisheries still prevailed, contributed more than anything else to the creation of a professional class of fishermen in Iceland. Since then the changes in the fishing sector have been relatively labour saving. No major rise within the seamen's labour force was experienced in the 20th century, i.e. to the same extent as in the late 19th century. The growing labour-force in 20th century Iceland went from the traditional "primary" industries, pastoral agriculture and fishing to 'secondary' and 'tertiary' occupations.

During the early 19th century the future groups of entrepreneurs; the merchants, the craftsmen, the manufacturers..., in short: the main pillars of the bourgeois society were present in embryonic forms only, in the outskirts of the farming community, or as the historian Sverrir Kristjánsson phrased it:

"By considering the Icelandic nation in the early 19th century the total absence of a bourgeois middle classes in trade, commerce and manufacture, besides a free working class, clearly signifies that Iceland lacked the characteristics of a bourgeois society in the European sense of the word. With the low figures the population census of 1801 illustrates that the merchants, the craftsmen and day-labourers were present only embryonically."(3)

Together, the craftsmen, manufacturers and the commercial class constituted 2.7% of the labour force in 1855 (the year when trade was made free for all nations) and 5.0% in 1880 - including a part of the registered casual labourers not belonging to any particular occupational category in the population censuses.(4) In many cases the craftsmen were simultaneously farmers. Probably, no other occupation was more dependant on the urban development than the handi-

crafts and manufacture. The negligible urbanization prior to 1880 reveals this partly, since between 1855 and 1880 this groups remained tiny.

The growth of the Icelandic manufacture is a fairly clear expression of an expanding domestic market and rapid urbanization. The domestic orientated textile-industry and construction absorbed 62% of the manufacture labour force in 1920 and 46% in 1940. Probably the comparable figures in 1901-10 were 65-70% if we include the bulk of the workforce in the "residual" (miscellaneous manufacturing occupations).(5) Private construction was another large category which in the 20th century occupied along with "public" construction over 1/3 of those in manufacture. Food processing as an industrial branch grew from 3% of industry's labour force in 1901 to 11% in 1940. (See furthermore in Table B. 7.)

What characterized Icelandic manufacture in general was its handicraft character and late mechanization, which required considerable capital investment - high by Icelandic standards. The manufacture was mainly based on domestic consumer industry and service oriented industries, usually labour intensive and technically primitive and often run by small-scale owners or capitalists with only a few labourers in their service. In face of this situation there is no wonder that the share of Icelandic manufacture in the export sector was extremely low; hardly exceeding 1%! This description holds if we exclude the fishing industry and the semi-fabricated animal products such as wool, hides and butter from the manufacture-handicrafts sector.(6)

It should be easier to understand why import-tariffs have played such an important role in the strivings against foreign competition. The domestic market was for the majority of producers the only one for their products, hence the important role of the governmental economic policy (such as import-substitution) for their continued existence.

A rough estimation shows that those in commerce and transports grew four-fold between 1901 and 1940 or from 5% in 1901 to 15% in 1940. The biggest occupational groups were in the retail branch and various harbour occupations. Other groups were of less importance. In the 19th century the lack of minimal investments and infrastructure in communication networks (with no roads, harbour facilities, railways, hardly any bridges, etc.) was manifested in the physically hard labour of both male and female dayworkers, and low level of productivity. The great majority of the labour force in the transport sector were manual workers closely dependant on the general commercial and productive activities in the country.

Outside Reykjavík the reliance on communications continued to increase as a necessary supplement to the social and economic transition in the remaining parts of the country. A key factor in this process was the relative size of the country with respect to the

population; conditions which always have required a proportionately high degree of labour- and capital resources allocation to communications and transports in modern Iceland. The Norwegian economy has f.ex. faced a similar problem.

Although both transports and commerce expanded rapidly it was the latter which showed greater signs of vitality, especially in the capital.

The public sector had hardly any direct economic function in the 19th century and up to the 1920s the growth was rather slow both in terms of labour power and public expenditure. In the 19th century most of the state budget was paid to the administrative officials (clergymen included).(7)

While the state apparatus lost its old character in the early 1900s, it became a source of living for ordinary wage earners. At the beginning of this century, the growing labour demand of the state was owing to some reforms in health and education, which in turn absorbed a considerable number of skilled women, nurses and teachers who were most clearly marked in the censuses of 1910 and 1920.

In spite of growing healthcare and education the total significance of these services dropped from 65% in 1901 to 35% in 1940. These two categories became quite early in this century well established within the public sector as the first "welfare" services of the state, rolled on in the intermediate period between the decay of the poor law regulations and the onset of the "welfare-state". However, their impact was afterwards (in the 1920s in particular) severely reduced within the public sector when the state was activated in the construction of infrastructural facilities of decisive importance for the economy; roads, harbours, bridges, electricity, farming constructions, etc. From being negligible at the beginning of the century, these services had in 1940 occupied about 45% of the state and municipal labour force: fixed capital (infrastructural production); circulation (such as postal and tele-communication services), and reproduction (such as gardening and cooking). This was quite in accordance with the needs of an expanding capitalist market economy and the consolidation of respective bourgeois institutions and the political system.

6.3. The occupational division in Reykjavík.

According to the 1801 population census there were only 306 inhabitants in Reykjavík; many of them Danish.(8) In 1855 the number was 1354. The significance of Reykjavík's economic situation in the national economy is well described in the changes in the occupational structure between 1855 and 1940. Up to 1880 the economically active population in the town contained only 2-3% of the total labour force in Iceland while half a century later the capital contained over one fourth.

This had not only great implications for the socio-economic development in general, but also involved great structural changes within this "heart point" of the nation. We are supposed to believe that the expansion of the fisheries was something which characterized Reykjavík above anything else in the late 19th and early 20th century. This is to a certain degree true within the context of the political economy of the capitalist system; the accumulation of capital, expanding foreign trade and technological development first reaching the fishing sector on a large scale.

In the 19th century the fishing population (active) in Reykjavík was by far the most important occupational group if we leave aside all genuine "domestic servants" combined. In the transitional era the small open rowing boats were the main source of living for the fishing population in Reykjavík absorbing ca. 30% of all economically active. By including the "workpeople" of both sexes, the figure was about 40%.(9)

The key-elements of the changes in the fisheries - if we look at the prevailing mode of production - were the mass utilization of the decked sail wessels after 1890 in Reykjavík and the Southwest region. This introduction of vessels resulted in a increased number of fishermen in Reykjavík and a greater national significance. Reykjavík's share was about 11% in the 19th century and rose to 20% in 1930, which signified the culmination of Reykjavík's role within the national context. By then Reykjavík had experienced two major investment booms in the fishing sector, in 1891-1906, and from 1919- 1928.

Reykjavík's economic expansion in the 1920s was primarily centred to the fishing sector; the trawlers in particular. Hence, the fierce rise of labour demand in the 1920s. The decline in the 1930s was associated with the world crisis and pressure towards structural changes putting a greater emphasis on fish meal production (herring and fish bones), quick freezing, and direct deliveries of iced fish to the allied countries after the outbreak of world war.(10)

The over-all development of Reykjavík from the 1890s and onwards did however initiate a rapid expansion in other occupations, in manufacture, commerce and public services mainly, while the fisheries and fish processing combined declined; from 20% in 1901 to 15% in 1930 to being only 9,5% in 1940. Nevertheless the fishing sector continued to play a key role in the national economy and the export sector.

In the fifty years period between 1890 and 1940 Reykjavík consolidated its position on a broad basis as the main centre of manufacture, services, commerce, and various public services. The craftsmen in Reykjavík constituted ca. 12-15% of the active population in the town in the previous century, while in Iceland as a whole their share rose from 1.3% in 1860 to 3.3. in 1890.

The industrialization process outside the fishing sector was a late phenomenon, and when it gained ground at the turn of this century

Table 6.2. Economically active in Reykjavík by occupation, 1855-1940. (Numbers and Per cent.)

	1855	1860	1880	1890	1901	1910	1920	1930	1940
Farming	9	9	1	40	110	335	135	332	302
Fisheries	} 174	177	285	521	{ 469	709	823	1288	1315
Fish processing						217	257	611	239
Manuf./construction(private)	88	84	107	231	747	1342	2177	3046	4658
Commerce/trade	} 77	57	75	251	{ 182	496	995	1917	2491
Transports						641	865	1482	2002
Private, personal services	173	210	330	455	647	1387	1610	2456	2740
Public services	35	30	29	68	120	293	524	1290	2738
Unspecified occupations	15	53	36	132	206	39	78	73	9
Total:	571	620	863	1698	3041	5459	7464	12495	16494
Per cent									
Farming	1.6	1.5	0.1	2.4	3.6	6.1	1.8	2.7	1.8
Fishing	} 30.4	28.5	33.0	30.7	{ 15.4	13.0	11.0	10.3	8.0
Fish processing						4.0	3.4	4.9	1.5
Manuf./construction(private)	15.4	13.5	12.4	13.6	24.6	24.6	29.2	24.4	28.2
Commerce/trade	} 13.5	9.2	8.7	14.8	{ 6.0	9.1	13.3	15.3	15.1
Transports						11.7	11.6	11.9	12.1
Private, personal services	30.3	33.9	38.2	26.8	21.3	25.4	21.6	19.7	16.6
Public services	6.1	4.8	3.4	4.0	3.9	5.4	7.0	10.3	16.6
Unspecified occupations	2.6	8.5	4.2	7.8	6.8	0.7	1.0	0.6	0.1
Total:	99.9	99.9	100.0	100.1	100.0	100.0	99.9	100.1	100.0

Sources and methods: See Appendix A.

the expansion was in the first instance limited to Reykjavík. Between 1901 and 1940 about 24-29% of the active population in Reykjavík had employment in industrial enterprises which were successively concentrated to the capital, its share of the total industries rising from 34% in 1901 to 63% in 1940. Prior to World War II the manufacture sector was the most concentrated of all sectors in the capital; a process which continued until the mid-1950s with ca. 66%. In 1971, for example, this share was down to 51%.⁽¹¹⁾ This can be related to the changing nature of manufacture from being: Firstly, a master craft with necessary connections to the small and dispersed local markets in the country, which prevented any spectacular concentration of skills to Reykjavík. Secondly, the beginning of this century marked a new phase when industries rose due to a growing commodity market in Reykjavík. The capital was the indispensable lifeline of the nation's foreign trade sector, of constant flow of raw material and auxiliary equipment, infrastructural facilities, etc. In other words, Reykjavík took the lead, partly due to the fact that it was big enough to provide the necessary infrastructural means for mechanized production in contrast to the handicrafts previously. A hydro-electric power plant installed right outside Reykjavík in 1921 contributed to a further concentration of manufacture to Reykjavík.⁽¹²⁾

The small role of the mechanized forms of manufacture is illustrated by the non-existence of typographers as a distinct occupational group in the 1901-census. They had the honour of being the founders of the first Icelandic trade union, founded in 1887.⁽¹³⁾

Those active in commerce (and communications and the restaurants/hotel branch) in Reykjavík showed a rising proportion from 8,7% to 14,8% of the working population in Reykjavík. Admittedly, the 3/4 of the registered day-workers were estimated as having their main source of living in this business (discharge; the transports in particular).

In the 20th century, especially after 1910, the improvements in communications strengthened Reykjavík as a modern center of trade (a modern harbour; transport cars, etc.) with the result that the employment figure of this sector between 1910 and 1940 stayed around 12% of the capital's labour force. The structural rationalization had great effects on the women's work and they were successively pushed from jobs in this sector.

The rise of commerce as a source of living is a strong feature of the employment structure from the 1880s to the crisis years of the 1930s. From 6% in 1901 this business absorbed in 1930 over 15% of the total work force in Reykjavík while the national figures were only 1,8% resp. 6,8%. This rise of commerce in Reykjavík is clearly indicated by comparing the levels of concentration to Reykjavík of the main occupational categories. In 1901 commerce was in the 4th place with 28% of the work force centred in the capital, but in 1930 this

Table 6.3. Concentration of occupations to Reykjavík, 1855-1940. (Per cent)

	1855	1860	1880	1890	1901	1910	1920	1930	1940
Farming	0.0	0.0	0.0	0.2	0.5	1.5	0.7	1.8	1.7
Fisheries/Fish processing	11.4	9.4	10.6	13.4	9.9	13.2	15.1	19.9	15.7
Manufacture/construction(private)	25.7	23.2	15.6	23.8	34.3	40.0	49.5	57.0	63.0
Commerce/trade/transport	20.1	13.1	9.2	18.3	35.0	41.4	46.7	56.1	59.4
Private, personal services	18.7	17.6	18.9	20.2	37.3	34.9	45.9	52.7	57.9
Public services	12.5	11.9	11.5	20.4	16.2	25.6	34.7	43.4	57.9
Unspecified occupations	5.3	18.4	6.8	16.3	18.1	17.8	24.0	(85.9)	(56.3)
Total of active population:	2.2	2.3	2.8	5.7	8.3	13.4	18.0	26.3	31.4
Of non-farming occupations only:	15.0	13.9	12.8	17.2	21.4	27.8	35.1	42.4	47.2

Note: This table shows the sectoral proportion of Reykjavík - the concentration - in Per cent, when the population has been classified according to Appendix A. Table to be read: For every 100 economically active persons in the fishing sector in Iceland there were 11.4 in Reykjavík in 1855; 9.4 in 1860 and so on.

business was leading with over 59% of the work force while in the 1930s the manufacture had surpassed it with a small margin.

The decline of private/domestic services in Reykjavík (overwhelmingly females) is significant; from over 38% in 1880 the proportion diminished to nearly 17% in 1940. This decline was slowed down due to services outside the homes and in some cases guaranteed the considerable economic participation of the female work force in the service occupations - outside the private homes. The services other than the domestic services did play a larger part in Reykjavík than for the country as a whole; the private services were gradually entering the sphere of capitalization and market orientation.

Although the labour force in Reykjavík in this century was gradually resting on a still greater variety of occupations due to the greater general expansion and interdependency of the branches, the strength of the capital as a centre of public affairs (administration, public health, infrastructure, etc.) is impressive. This category had in Reykjavík only 4% of the labour force in the 19th century, but contained 16,6% in 1940 and meant a gradual concentration of the public sector to the capital. In the transitional era, Reykjavík acquired the character of an economic middle point in the country which mixed with its role as an innovatory centre of technological revolution in the fishing sector and consequently its role as the main centre of over-all activities which a genuine modernization of the nation required. This means in other words that although Reykjavík was absorbing more and more of the resources of capital and labour in the fishing sector in relation to the country in general this sparked off a more pronounced growth in other economic sectors in the city although the fishing sector was still to predominate the conjunctural cycles of the economy.

6.4. The female work force.

The population censuses show that between 1901 and 1940 about 1/4 of the females aged between 15 and 64 years were having some occupation outside farming. By including farming this participation ratio was much higher, 59% in 1901, but was down in 39% in 1940. This could mean that the participation of females in the economy was declining in total, but here the specific registration principles in farming offer a misleading result. The exodus of the "economically active" females from farming after 1910 did not lead to any jump on the urban female labour market. This can be considered with regard to a rising nuptiality ratio in this period, with illegitimacy temporarily declining.(14) There are reasons to expect that for the women the migration from farming coincided with marriage and housewife status rather than an occupation in the urban areas.

Table 6.4. Female (non-farming) occupations by sectors, 1901-1940.

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Fishing/fish processing	1324	1016	757	1600	972
Manufacture	590	1055	1241	1075	2348
Commerce/trade	56	213	432	914	1187
Transports	224	318	92	26	39
Private, pers. services	1643	3839	3213	4268	4056
Public services	255	469	626	869	1275
Unspecified occupations	<u>593</u>	<u>130</u>	<u>183</u>	<u>50</u>	<u>13</u>
Total	4685	7040	6544	8802	9890
(Per cent)					
Fishing/fish processing	28.3	14.4	11.6	18.2	9.8
Manufacture	12.6	15.0	19.0	12.2	23.7
Commerce/trade	1.2	3.0	6.6	10.4	12.0
Transports	4.8	4.5	1.4	0.3	0.4
Private, pers. services	35.1	54.5	49.1	48.5	41.0
Public services	5.4	6.7	9.6	9.9	12.9
Unspecified occupations	<u>12.7</u>	<u>1.8</u>	<u>2.8</u>	<u>0.6</u>	<u>0.1</u>
Total:	100.1	99.9	100.1	100.1	99.9
Females of all active (%):	34.2	38.2	31.4	30.7	28.8
<u>Reykjavík</u>					
Fishing/fish processing	145	187	123	430	104
Manufacture	175	391	575	680	1633
Commerce/trade	17	136	278	642	808
Transports	108	102	14	17	32
Private, pers. services	608	1308	1419	2156	2241
Public services	40	113	205	409	686
Unspecified occupations	<u>99</u>	<u>28</u>	<u>50</u>	<u>45</u>	<u>8</u>
Total:	1192	2265	2664	4379	5512
(Per cent)					
Fishing/fish processing	12.2	8.3	4.6	9.8	1.9
Manufacture	14.7	17.3	21.6	15.5	29.6
Commerce/trade	1.4	6.0	10.4	14.7	14.7
Transports	9.1	4.5	0.5	0.4	0.6
Private, pers. services	51.0	57.7	53.3	49.2	40.7
Public services	3.4	5.0	7.7	9.3	12.4
Unspecified occupations	<u>8.3</u>	<u>1.2</u>	<u>1.9</u>	<u>1.0</u>	<u>0.1</u>
Total:	100.1	100.0	100.0	99.9	100.0
Female rate in R-vík (%):	39.2	44.2	36.3	36.0	34.0
Females in Reykjavík of all in Iceland (not farm.) (%):	25.4	32.2	40.1	49.8	55.7

Sources: The population censuses for resp. years; see Appendix A.

Table 6.4., which excludes farming, shows the female force divided into occupational categories in the period 1901-1940. The private services played still in 1940 an important role, 41,0% compared with 54.5% in 1910. The low figure for 1901 is doubtless dubious, but seems to be more reasonable for Reykjavík. Other major occupations were commerce, public services (education and health), fish processing and manufacture (mainly textiles, weaving and cloth making); the two last items showing interesting evidence of negative covariations. When fish-processing females increased this was reflected in a contracting female labour in manufacture, or a slow down in the case of Reykjavík, especially in the 1920s. In a long-term perspective the females entered manufacture occupations while the role of fish processing declined; clearly a more pronounced process in Reykjavík than elsewhere in the country.

Women constituted in 1910 ca. 38% of the total labour force, decreasing to 29% in 1940, and by including farming they were 40% and 28% respectively. The census in 1901 underestimates without doubt the economic participation of women.

Reykjavík's share of the non-agricultural female labour force showed a high degree of centralization; from 25% in 1901 to 56% in 1940, which was higher than that of the males.

6.5. Socio-economic structure.

It is almost self-evident that the information provided in the population censuses about the socio-economic groupings may be questioned. The following attempt should therefore be taken with a grain of salt. In principle, the socio-economic classification in the censuses is preserved although some modifications have been made in order to better describe the social landscape in Iceland in general and in Reykjavík in particular.

In this study the economically active population is classified into three major categories: I. employers, self-occupied and high status officials; II. non-manuals, which are made of three sub-groups; and III. manual labourers, also in three sub-groups. This makes a total of seven groups.

The manual workers in Iceland did in the period 1901-1940 constitute the majority of the labour force, or between 52 and 57%. In this respect Reykjavík was almost identical. The socio-economic polarization with regard to the three major groups remained stable and the significant changes in this pattern occurred within them, i.e. in the sub-groups. In other words: the changes in the class structure in Iceland were significant as changes in the composition of the labour force within each category.

Among the manual workers in group III the shift from fishing towards diversified land-based occupations was characteristic for the

Table 6.5. Socio-economic classification of economically active in Iceland, 1901-1940. (Farming excluded)
(Numbers and per cent)

Socio-economic groups	1901		1910		1920		1930		1940	
		%		%		%		%		%
I. Employers, self-occupied and high status officials	3464	25.3	2527	13.7	3294	15.8	3981	13.9	4595	13.4
II. Non-manuals:										
1) public services	429	3.1	762	4.1	898	4.3	1339	4.7	2058	6.0
2) housework services	1591	11.6	3642	19.8	2854	13.7	3511	12.3	2987	8.7
3) personal services, skilled	695	5.1	1048	5.7	2872	13.8	3732	13.0	5002	14.6
Total of non-manuals:	2715	19.8	5452	29.6	6624	31.8	8582	30.0	10047	29.3
III. Manual workers:										
1) fishing and fish industry	4650	33.9	6304	34.2	5352	25.6	7848	27.4	7915	23.1
2) manuf, transp, constr. etc.	1721	12.6	3650	19.8	4621	22.1	6903	24.1	10153	29.6
3) others	1150	8.4	504	2.7	983	4.7	1341	4.7	1604	4.7
Total of manual workers:	7521	54.9	10458	56.7	10956	52.4	16092	56.2	19672	57.4
I-III Total of economically active in non-agricultural occupat.:	13700	100.0	18437	100.0	20874	100.0	28655	100.1	34314	100.1

Sources: The Population Censuses of Iceland, according to Appendix A.

long-term changes in the transitional period. As Tables 6.5. to 6.7. indicate the actual composition was quite another in Reykjavík than in the non-farming districts as a whole, which brings to the foreground the monotonic employment structure of the small and medium-scale fishing towns as dominated by the fishing population. In non-farming Iceland, with Reykjavík excluded, the manual workers in the fishing sector constituted, prior to World War II, 60-70% of the workers in total. By referring these fishermen to the total labour force, in the same manner as in the tables presented, the fishermen were 37-41% of the labour force while in Reykjavík the ratio fell from 21,0% in 1901 to 7,2% in 1940.

On a national scale the shift was gradual with manufacture surpassing the fishing sector not until the 1930s. In Reykjavík, however, manufacture and the crafts had taken the lead over the fisheries at the turn of the century, due to the rapid increase of the former. In the following decades manufacture, transports and construction grew faster than the fisheries, which continued to expand until ca. 1928. In 1930 the fisheries occupied 13% of Reykjavík's labour force while manufacture and related occupations employed 31%. By considering the working class only the figures were 25,6% and 61,1% respectively. It is argued in Chapter 9 that this process was fundamental, though not the only causal factor, to explain the shift of forces in the labour movement in the concurrent period.

In the long-run, the shift from the fisheries to the various manufacture and transports etc. reflected the development of the labour movement. The significance of the fishermen's labour unions certainly rose between 1916 and 1930; the boom period of the fishing sector. Still, the power shift was an established fact in the late 1920s. Dagsbrún, The Reykjavík General and Transport Workers Union (founded in 1906), became the leading union in Reykjavík although the continuous power of the Seamen's union, (Sjómannafélag Reykjavíkur) prevailed.(15) The question is why Dagsbrún did not take over the leadership earlier, a) in the light of her early foundation, and b) having a broader social recruitment basis. A part of the answer in in short contained in the different organizations of production, the degree of capitalization (capital accumulation), concentration of capital, ownership of the means of production, etc. In this respect the less manpower of the fishermen was counter-balanced by the relative concentration in terms of fishermen per employer and fishing vessel in Reykjavík, while the conditions of the land workers were more segregated, except in the harbour area in Reykjavík which constituted the solid platform of the union.

Table 6.6. Socio-economic classification of economically active in Reykjavík, 1901-1940. (Farming excluded)
(Numbers and per cent).

Socio-economic groups		1901	1910	1920	1930	1940
		%	%	%	%	%
I. Employers, self-occupied and higher status officials		439	606	1033	1554	2067
II. Non-manuals:						
1) public services		66	189	270	595	995
2) housework services		589	1168	1140	1609	1439
3) personal services, skilled		214	493	1251	2137	3057
Total of non-manuals:		869	1850	2661	4341	5491
III. Manual workers:						
1) fishing and fish industry		614	863	790	1602	1164
2) manuf., transp., constr., etc		797	1638	2396	3827	6392
3) others		212	167	449	839	1078
Total of manual workers:		1623	2668	3635	6268	8634
I-III. Total of economically active in non-agricult. occupations:		2931	5124	7329	12163	16192
		100.0	100.0	100.0	100.0	100.0

Table 6.7. Concentration of socio-economic groups in Reykjavík, 1901-1940.

Socio-economic groups		(a)					(b)				
		1901	1910	1920	1930	1940	1901	1910	1920	1930	1940
I.	Employers, self-occupied and higher status officials	12.7	24.0	31.4	39.0	45.0	0.59	0.86	0.89	0.92	0.95
II.	Non-manuals:										
	1) public services	15.4	24.8	30.1	44.4	48.4	0.72	0.89	0.85	1.05	1.02
	2) housework services	37.0	32.1	39.9	45.8	48.2	1.73	1.15	1.14	1.08	1.02
	3) personal services, skilled	30.8	47.0	43.6	57.2	61.1	1.44	1.69	1.24	1.35	1.30
	Total of non-manuals:	32.0	33.9	40.2	50.6	54.7	1.50	1.22	1.14	1.19	1.16
III.	Manual workers:										
	1) fishing and fish industry	13.2	13.7	14.8	20.4	14.7	0.62	0.49	0.42	0.48	0.31
	2) manuf., transp, constr., etc	46.3	44.9	51.9	55.4	63.0	2.16	1.61	1.48	1.31	1.33
	3) others	18.4	33.1	45.7	62.6	67.2	0.86	1.19	1.30	1.47	1.42
	Total of manual workers:	21.6	25.5	33.2	39.0	43.9	1.01	0.92	0.95	0.92	0.93
I-III.	Total of economically active in non-agricult. occupations:	21.4	27.8	35.1	42.4	47.2	1.00	1.00	1.00	1.00	1.00

Table (a) to be read: For every 100 in group I in 1901 there were 12.7 in Reykjavík; 24.0 in 1910 and so on.

Table (b) to be read: If the expected mean was 1.00 socio-ec. group I in Reykjavík was in 1901 represented to a degree of 0.59 (or 59% of the average concentration); 0.86 in 1910 and so on.

Notes to Chapter 6.

1. Iðnaðarskýrslur 1950 (Hagskýrslur Íslands no. II,7); Árbók Tryggingarstofnunar ríkisins 1940, p 30-35; 1941, p 21-26.
2. Þorvaldur Thoroddsen: Lýsing Íslands, vol. 4, p 347.
3. Sverrir Kristjánsson: "Jón Sigurðsson - baksvið og barátta." in Réttur (1966), p 14.
4. See Appendix A.
5. It is highly probable that a high proportion in the last group was occupied in construction primarily.
6. Tölfræðihandbók 1974 (Hagskýrslur Íslands II,63), p 129.
7. Klemens Jónsson: "Fjárhagsstjórn Íslands 1875-1915." in Andvari, p 139, passim; Gylfi Þ. Gíslason: "Útgjöld ríkisins" in Klemens Tryggvason et al: Alþingi og fjárhagsmálin, p 115-22.
8. Sverrir Kristjánsson: "Skúli Magnússon og upphaf Reykjavíkur." in Andvari (1962) p 203-16.
9. This has been the usual method to measure the significance of the fisheries in Reykjavík; see f ex Ólafur R. Einarsson: Upphaf íslenskrar verkalýðshreyfingar 1887-1901, p 48.
10. Ólafur B. Björnsson: "Saltfiskframleiðslan." in Ægir - afmælisrit, p 140-44; Skipulagsnefnd Atvinnumála. Álit og tillögur I, p 446-530; ; Arnór Sigurjónsson: Fiskimálanefnd. Skýrsla tíu ára 1935-1944, p 72-85, 172-5.
11. Opinberar aðgerðir og atvinnulíf 1950-1970, p 136.
12. Klemens Tryggvason, Torfi Ásgeirsson: "Íslenskur iðjurekstur." in Iðnsaga Íslands, vol. 2, p 344-49; One of the industries which benefitted from electricity was the printing branch; see Prentarinn 23th year (1944), p 17.
13. Ólafur R. Einarsson: Upphaf íslenskrar verkalýðshreyfingar 1887-1901, p 36.
14. Gísli Gunnarsson: Fertility and nuptiality in Iceland's demographic history, p 36.
15. See furthermore in Chapter 9.

Chapter 7

WAGES

7.1. Introduction.

The primary aim with this chapter is to provide and present first hand knowledge about the wage-development from the late 19th century to 1940. This is done by comparing the wages of the major occupational groups in Reykjavík mainly, on a basis of very scattered and meagre information, which has a lot to be desired. The interest of the authorities and institutions to sample labour- and incomes statistics was calm prior to World War II. In the 20th century the main sources used here were the official wage-rates of the two main trades in Reykjavík; those of seamen after 1915 (Sjómannafélag Reykjavíkur) and unskilled male workers after 1906 (Dagsbrún). While these unions admittedly represented no more than ca. 1/3 of workers in the town it has frequently been remarked that the wage-rates reflected the general tendencies rather than the level of wages. I have also made an effort to verify these results through comparison with the only (to my knowledge) existing wage study which presents annual workers' wages in the inter-war period. Even if the sample was small (ca. 80 workers or 1-2% of all workers in the town) I consider it well worth the trouble to integrate these findings into my study.(1)

In the period prior to 1914 the main sources of wages in Reykjavík were the few indices which the accounts of the Leprosarium (Holdsveikraspítalinn í Laugarnesi) could provide, between 1898 and 1912 (See also Appendix C). Furthermore, the assessed market price scales provide a more general account of changes of farming wages between 1820 and 1914.

Although it is a commonplace to accept the worker's wages as a rough indication of his well-being from one period to the next it is necessary to recall the old truth that what really counted was the volume of the necessities of life. The "old paternalist moral economy", as E.P.Thompson coined it, implied that wages in the pre-industrial era were usually determined by customs where the rationale was a constant quantity of consumables for a given amount of labour: "In urban and rural communities alike, a consumer-consciousness preceeded other forms of political or industrial antagonism. Not wages,

but the cost of bread, was the most sensitive indicator of popular discontent."(2)

The exploration here is carried out in three stages. After a brief presentation of the different wage-forms, the treatment of the wage development is divided into a pre-World War I section and a section dealing with the war-years and the inter-war period.

7.2. Formal factors which affected the incomes of the working people.

7.2.1. Wages and the wage form.

Not only the nominal wages were of interest; the wage-form especially for the fishermen had substantial variations; from almost pure weekly or monthly wages to premium wages. Also, the wages differed among the fishermen on the same ship or boat for example; sometimes the fisherman kept a given portion of what he personally caught onboard (usually 50% of the cod-fish), on other occasions the whole catch was split according to a given mathematical rule between the boat-owner, the captain, the owner of fishing-gear, and the crew. No iron law of wages was in force and the regional variations were furthermore to complicate the picture.(3) The existence of monthly wages in the fisheries was infrequent, at least in a pure form. For example deck hands on the steam trawlers received a portion of their wages as "liver-premiums".

The principle of "catch-sharing" (hlutaskipti) was only in a modified form preserved on the steam trawlers; monthly wages combined with the "liver-premium" as an economic incentive was practiced almost from the very beginning in 1905, at the initiative of the owners. In the late 1940s and to this day the principle of catch-sharing prevailed almost unanimously.(4) Land work was primarily paid in by the hour or the day, the latter tending to vary in length before the regulation of the working day became actual. It was often complained that the employers abused their power by lengthening the working day whenever they wished.(5)

7.2.2. Form of payment.

Only in this century did payments in cash become generally practiced. The old truck system was always considered as a impediment for the labourers who were effectively being prevented from drawing advantages from favourable prices elsewhere. Their purchase of consumer goods was therefore dependent on the supplies from the merchant/employers. But this was only the one side of the matter. On the other hand the merchant was often a supplier of goods paid in

advance to workers or fishermen, for example on the merchant's boat in the beginning of a season.

7.2.3. The seasons and their duration.

A natural factor which affected the incomes of the working people was the duration of employment and consequently the length of seasonal unemployment(s). The importance of employment opportunities – especially in the transitional era – cannot be underrated as a decisive determinant of the annual income. The emphasis on shorter intervals paid with hourly-, weekly- or monthly wages is misleading in this respect. Hence, the treatment of hourly wages relies on a set of premises of which the most important was the length and number of seasons or the total of working hours in the year was the same between years. The scanty information before World War I is provided in terms of annual or seasonal incomes.

7.2.4. The cost of living.

An index has been constructed on the basis of available information in Reykjavík 1898–1940 and provisionally for the period 1860–98. A particular attention was given to the actual cost of housing, which only occasionally followed the general index of goods and services (See in detail in Appendix C).

7.3. Wages prior to World War I.

7.3.1. The fishermen's wages.

The available sources indicate that the wage-terms in the 19th century prevailed in the tradition of "hlutaskipti". This does not rule out the possibility of increasing wages (seasonal at least) as the decked vessels were operated on a larger scale and more effectively. The increased productivity of the fishermen's labour on these vessels, in combination with rising fish prices on foreign markets favoured a rise in real wages through the fishing seasons. The 1890s were advantageous in this respect, since added to this, the cost of living dropped somewhat.

In the cod fisheries the wage-form was "catch-sharing" where the fishermen usually kept ca. 50% of the value minus expenses for curing and so on. The following example is taken from the shark-business and shows two different outcomes which for the most depended on the

changing fortune of shark catching from prosperity to deterioration. The employed crewmen usually had fixed monthly wages plus a "liver-premium" depending on the quantity of liver. The catch was normally ca. 400 barrels of liver per season. Between 1850 and 1880 the prices were high, but in the following decades the prices - and the premiums - fell successively, almost by 50% until the outbreak of WWI. The length of season was ca. 24 weeks (= 5½ months).

Table 7.1. The approximated wages of crew-members on shark-catching over 24 weeks.

	Monthly wages krónur	Total monthly wages krónur	Premium rate per barrel	Total liver premium	Total wages for the season	Premium rate of the total wages
Vestfirðir 1850-1885						
Steersman	43	240	1.00	400	640	62.25%
Deck hands	43	240	0.50	200	440	45.50%
Faxe-bay 1885-1900						
Steersman	50	280	0.66	264	544	48.50%
Deck hand	30	168	0.25	100	268	37.30%
Cook-boy	16-28	90-157	0	0	90-157	-

Source: Approximations based on Gils Guðmundsson: *Skútuöldin*, vol. IV, pp. 136-40; The National Archives in Reykjavík: *Skipshafnar-skrár fyrir Reykjavík 1892-1896*.

The declining profitability of shark catching had the effect that the wages, especially the premium rates, were pressed down. The cod fisheries were progressing on the other hand.

We must emphasize that these incomes covered the most income-bringing time of the year and that other incomes were very instable and low, mostly punctuated by seasonal unemployment. Ca. 100 kr. can estimatedly be added as the average income for the rest of the year. A deck-hand's wages of roughly 370 to 540 kr. before the turn of the present century sounds probable, according to the contemporary estimations of the wage-level. In 1906 J. Krabbe estimated that the deck-hands' wages during a period of ca. 6-7 months were between 400 and 800 krónur (plus the food costs aboard).⁽⁶⁾ With the progressing trawling industry after 1905 the wages (and the wage-form) became more clearly differentiated. The normal seasonal income

on the decked sail vessels was in 1913 estimated 580 kr. and the total income over the year not exceeding 700 kr. The trawlermen, however, had higher annual wages; the "normal" wages in 1913 were estimated 1258 kr.(7) This higher income was a result of the permanent employment on the trawlers, rather than being caused by higher monthly wages.

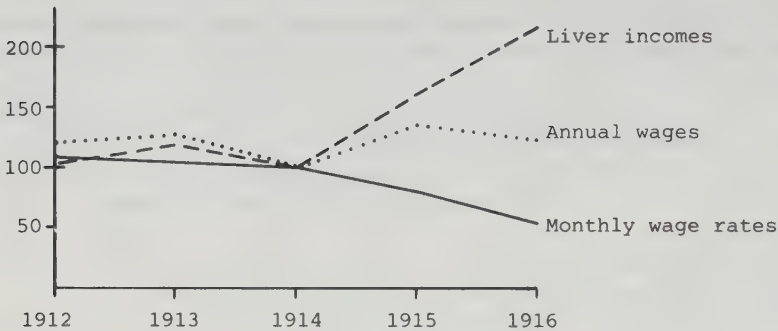
Table 7.2. Example of deckhands' wages on a steam trawler, 1912-16.

	1912	1913	1914	1915	1916
Fixed monthly wages	70.00	70.00	85.00	(85.00)	90-100
Length of employment (months)	(11.25)	(11.42)	(8.6)	(12.0)	(8.7)
Total fixed monthly wages	787.27	800.30	729.62	1016.64	830.00
Cod-liver premium (per barrel-unit)	294.16 (10.00)	351.69 (10.00)	308.32 (10.00)	614.36 (10-35)	1068.62 (35-60)
Herring bonus	53.38	67.00	.0		
Other incomes	8.00	39.10	.0	120.00	120.00
Total income (annual)	1142.81	1258.09	1037.94	1751.00	2008.62
Average income/month	101.58	110.17	120.69	145.92	230.88
Liver-bonuses in % of the total income	25.74%	27.95%	29.70%	35.07%	52.70%

Source: Dagsbrún 13/12 1916, 1/1 1917. It should be remarked that the length of employment are estimations.

The greatest advantage which the trawlers brought the seamen was a previously unsurpassed level of incomes. But this was at the cost of hard labour and extremely inhumane conditions of work, of which the lengthening of the working day is the best known example (see Chapter 8). A serious obstacle was also the absence of a fishermen's union in the vital period of restructuralization in the fishing sector. Figure 7.1. illustrates how capriciously the wages of the trawler fishermen developed between 1912 and 1916. It shows an interesting paradox which in the midst of World War I proved to be a delayed time-bomb. While the monthly real wages deteriorated rapidly during the war-years they were counterbalanced by the dramatic price rises of the cod liver in Europe. In 1915 the liver-price almost quadrupled, from 12 kr. to 40 kr. per barrel to the fishermen. In the period of this precarious 'prosperity' the Seamen's Union was founded, in Oktober 1915. This 'prosperity' rested on the temporarily soaring prices of one particular produce.

Figure 7.1. Real wages of a trawler deck-hand 1912-16, and their main components.



Source: Dagsbrún 13/12 1916, 1/1 1917; Appendix C.

The high export-prices were the driving force behind the employers' efforts in early 1916 to slice a bigger piece of the liver profits, while on the other side the stakes were high for the deck-hands to resist the assault. Also, the action was a provocation by the employers. The resulting strike was the first major confrontation of labour with capital in Iceland and gave the participants some instructive lessons in political economics.(8)

7.3.2. Landwork wages.

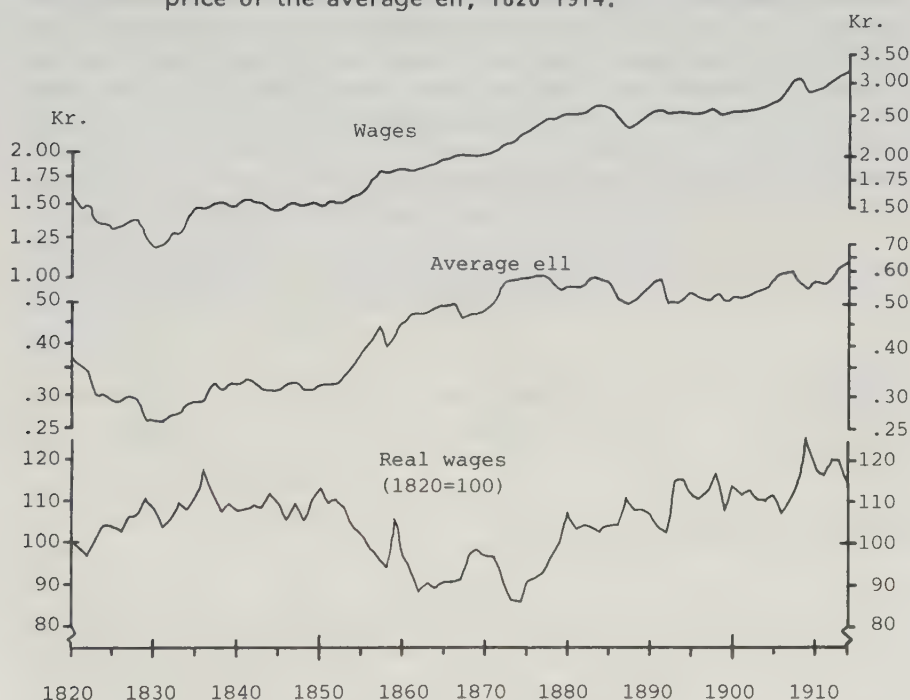
The information about work and wages before WWI is firstly based on the daily wages belonging to the assessed market price scales in the period 1820-1914,(9) and secondly on information based on the expenditures of the Leprosarium in Reykjavík on labour services in the period 1898-1912.(10) In the third case the widely used hourly-wage rates of the members of Dagsbrún are used from 1906 and onwards.(11)

Of course, this information alone provides only scanty knowledge and leave us hampered by several factors: the variety of occupations held by most of the workers, seasonal fluctuations, the high rate of subsistence required for survival in the embryonic urban areas, etc. Prior to 1921 the income statistics exempted most of the workers due to their low incomes and the widely practiced inexact estimation of incomes.

In Figure 7.2. the real daywork wages 1820-1914 are deflated with the price index of domestic articles, the average ell (medalverð allra meðalverða). Two major features come first to mind: the long-term decline of real wages in the third quarter of the 19th century and the

long-term upward movement in the fourth quarter. The deterioration was caused by several factors of which the most important were a) the resource crisis in the farming sector, and the increasing number of domestic servants, b) the additional throwback of the farmers' situation due to the sheep-disease after 1856, and c) the general price rises after 1850 during the boom of the economies in Europe.(12) These rising prices favoured Iceland's terms of trade, but the gradually rising daywork wages did not match the inflation.

Figure 7.2. Real and nominal farming wages during harvest, and the price of the average ell, 1820-1914.



Sources: Magnús S. Magnússon: The price development and day-work wages in Iceland 1820-1914.

The improving real daywork wages in the last quarter of the century were partly a result of reverse tendencies in the third quarter. The abundance of farm hands was relieved as a result of emigration to North-America, and the Icelandic urbanization. The inflation turned into deflation in the 1870s, which improved the real daywork wages. The end of the deflationary period (internationally covering the period 1873 to 1896 (13)) marked the end of rising rates of daywork wages in Iceland. The total incomes were, however, another matter.

The pre-war inflation era (1896-1914) abated any substantial rises in nominal wages with the net effect that - apart from the considerable fluctuations 1905-14 - the level of the real daywork wages went rather slowly upwards. If the standard of living did rise in this period it must therefore have been the result of factors other than the rising nominal wage-rates.

If we turn again to the second half of the 19th century Table 7.3. presents an alternative deflation basis for the Reykjavík-area (presented in detail in Appendix C). The table shows the yearly changes of the real wages decennially. Whether the average-ell or the 8 consumables are used as a wage deflator the movements were practically the same (i.e. they covaried). The substantial difference was, however, the increasing relative cheapness of imported goods compared with the domestic. Both in periods of inflation (1849-1873) and deflation (1873-1896) this was the case, which was logically associated with a rising demand for imported consumables.

Table 7.3. Yearly changes of the real day-work wages in farming during harvest. Reykjavík and nearby districts, 1860-98.

Year	Wages deflated by 8 consumables	Wages deflated by average ell
	%	%
1860-70	1.6	1.1
1870-80	2.7	1.2
1880-90	0.1	-0.3
1890-98	0.9	0.8
1860-98	1.3	0.7

Sources: See Appendix C.

Real wage estimations resting on domestic consumer goods are hampered by the evidence that the Icelanders were increasingly relying on foreign products for their consumption. The average ell did not take into account the imported goods and it was not constructed to do that either. The average real wages rose in the period 1860-1898 by some 1,3 % annually if deflated by the 8 consumables, and 0,7 % if the ell is used. No definite answer is possible on the basis of this information, but they might at least give a hint as to the direction. There are many factors which can discredit any attempt to prove something definite, such as the limited use of money in the 19th century economy; the variety of occupational groups and wages in Reykjavík; the level of subsistency; small scale animal husbandry and private vegetation; the habits in commerce such as the truck system. In a society which was not based on pure wage work to any substantial degree the application of day-wage indexation is a crude tool. As we shall see later the level of employment was even more important than

the day-wages for the total income. Estimations based on the day-work-wages necessitate preconditions which were almost impossible to satisfy. It is of limited use to calculate the day-wage rates if the level of employment was irregular.

Instead of confining the study to the available statistical sources only, the old device of contemporary documentation can be used to clarify the most relevant findings, the major tendencies and the nature of the income problem. A question here is if the statistical findings contradict the non-statistical and descriptive sources.

In a descriptive article: "Lífnaðarhættir í Reykjavík á síðara helmingi 19. aldar" (The mode of living in Reykjavík in the second half of the 19th century) the author, Þórbergur Þórdarson, sampled descriptions of the life in Reykjavík from persons who were still alive in the 1930s, but had personal experience from this era. The synthesis of his findings did not contradict the statistical findings presented here, but form a complementary to it:

1870-80: The food was improving, the imported articles became cheaper, which increased the consumption of cereals, dried fruit, coffee and sugar, etc. The changes in the foreign trade mixture were considerable in this period as the articles indicate.

1879-1882: Employment was unusually good in Reykjavík, especially in the construction industry(public). The welfare was relatively satisfactory in this period.

1882-1890: The fish-catches were bad and with accompanying cold weather the ghost of hunger was sometimes present which led to either stagnant or deteriorating conditions of living.

1890- : The conditions of living improved "and were constantly upwards from then"(14)

This description is relevant for Reykjavík only and should not be taken as a general indication for the country as a whole; the economic system remained mainly local or regional.

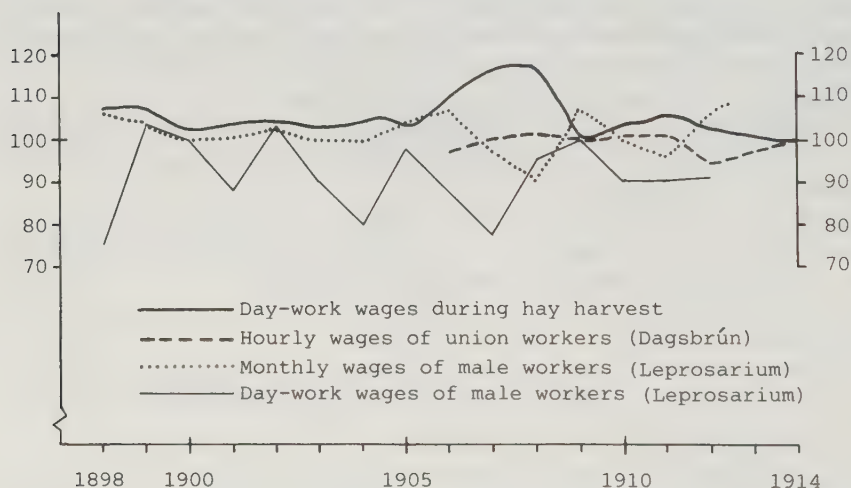
The period 1898-1912. The scattered information available about the nominal wages in Reykjavík in the era 1898-1912 shows that they more or less followed the prices in this inflationary period. In other words: the real wage-rates were practically unchanged, although there were some fluctuations. Apart from the great fluctuations of the daywork wages at the Leprosarium in Reykjavík the daywork wages in farming near Reykjavík rose temporarily in the years 1906-08. This coincided with at least two events which might have had the same causal factor: Firstly, the foundation of Dagsbrún (in 1906), the trade union of unskilled workers in Reykjavík, and secondly the establishment of a farmers' labour exchange in Reykjavík to attract labourers to the farming sector. We know at least that the wages in agriculture were rising, which was partly reflected in the assessed market price scales. However, we might change the argument and say that these events were causally related to the temporary boom in

the Icelandic economy until the slump in 1908-9, which had significant effects in the country.(15) We can put forward the hypothesis that the labour organizations were founded at an advantageous point in time when the demand for labour power happened to exceed the supply - temporarily.

In an international perspective the inconsiderable changes in the pre-war wages in Iceland are not surprising. Then, the real wages in Europe remained mostly stationary (1899-1913).(16)

We can thus conclude that the period 1898-1914 is marked with a relative stability in the real wages, although we cannot avoid noticing the annual discrepancies in our statistics, especially between 1906 and 1909. The two different methods of measurement are not contradictory on this point.

Figure 7.3. Real wages in Reykjavík by selected groups of workers 1898-1914. (1914=100)



Sources: Landshagsskýrslur fyrir Ísland, 1912; Dagsbrún (1956); Stjórnartíðindi fyrir Ísland 1898-1914; Appendix C.

As we have already mentioned in the previous section the difference between hourly wage-rates and annual incomes was mostly determined by the employment situation and the total of working hours, the length of the working day and the like.(17)

7.4. Wages after 1914.

In the inter-war years the fight for higher wage-rates (during inflation) and preserved wage-rates (during deflation) was of

crucial importance for the strength of the labour unions.

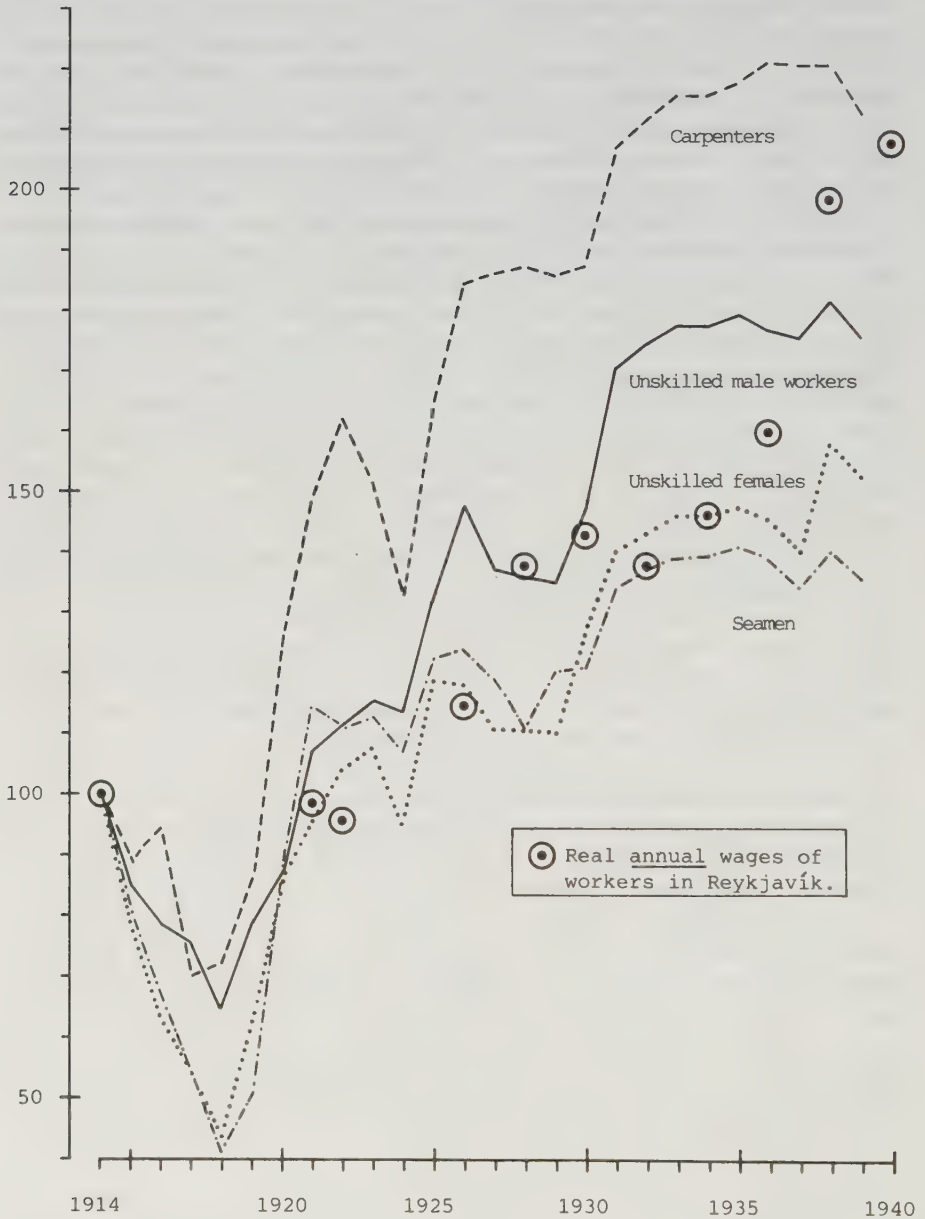
Wage-struggle was simultaneously a struggle for the employers' recognition of what the trade unions considered reasonable hourly wages. How this wage-struggle was to be successfully performed - bilaterally through negotiations or unilaterally - was a matter of considerable controversy. In the second case (unilateral decision of wages) the trade unions in question announced new wage-rates which the employers were to accept. On one occasion Dagsbrún's chairman Héðinn Valdimarsson, claimed that this method had proved to be more successful than the habit of negotiations.(18) The era of collective bargaining had not (yet) begun in the 1910s and 1920s, although there occurred some preliminary intermezzos. The official wage-rates of the trade unions were for various reasons far from being accepted by all employers in Reykjavík in this era. Wage-bargaining was decentralized; each trade union had the whole responsibility for its members until the 1930s, when the Labour Federation became successively involved in this process. The real decentralization was, however, within the group of employers in Reykjavík. They succeeded, in 1934, in building an organization, although weak in the beginning.(19) Previously the employers formed provisoral committees (under various labels) for meeting the demands of the workers, whose organization had a stronghold at the harbour. The largest employer there was the steam trawling branch (Kveldúlfur, et. al).

In other areas in Reykjavík the labour market was more or less unregulated. Nevertheless, the wages in the harbour area assumedly exerted indirect effects on wages in other branches. The wage-rates of the dockworkers represented to a high degree the changes of wage-rates in general in Reykjavík.(20)

We take, therefore, the official wage-rates as a starting point; in a medium and long-term perspective the rates followed the actual development - at least in the inter-war period. The aim here is to unveil the main traits of wage- and income development in this era.

The years after 1914 largely show a two phase development of nominal wages: the steep rise until 1920, followed by a relatively stable level of wages in the 1920s and 1930s. The differences in post-war wage-levels seem to have been the result of the chaotic war-years and the inflation-years immediately after, especially around 1920. This difference was most easily marked between skilled labour (example: carpenters and printers) and unskilled labour (see Figure 7.4.). The resistance against inflation was here decisive. Various attempts were made to construct a measure of the cost-of-living or at least an index of a selected basket of consumables. Many employers were in principle prepared to pay index-regulated wages at the height of the inflation in 1919 and 1920 and were eager to do so during the deflation era. Although prices were an important feature of the wage- struggle, other factors, such as employment, investments, unionization, etc., formed a decisive general framework for the wage

Figure 7.4. Real wage rates of selected groups in Reykjavík 1914-39.
(1914=100)



Sources: Tölfræðihandbók 1974, p 153; Árbók Reykjavíkurbæjar 1940, p 64, 59; do. 1945, p 77; Verkakvennafélagið Framsókn 50 ára, p 67; Þorsteinn Þorsteinsson: Raunveruleg laun verkamanna, 1914-1942.

development. However, in the first instance we shall consider the interplay of wages and prices.

Usually wages were adapted to the changes in prices although lagging in time.⁽²¹⁾ The compensations for the price fluctuations did, however, differ. The real wages during WWI deteriorated dramatically, with 1918 as the absolute bottom year in more than one respect. That particular year bore the marks of unemployment and commodity shortages, combined with soaring prices and bad terms-of-trade, unfavourable climatic conditions and not the least the bad effects of the loss (sale) of half the Icelandic steam trawler fleet to France in the autumn 1917. The late war-years have lived in people's memories as miserable. The horror of this time was partly contrasted with the previous prosperity in 1915 and 1916, which in spite of falling real wages, were exceptionally good years of ample employment and possibly a total (not real) increase of workers' incomes.

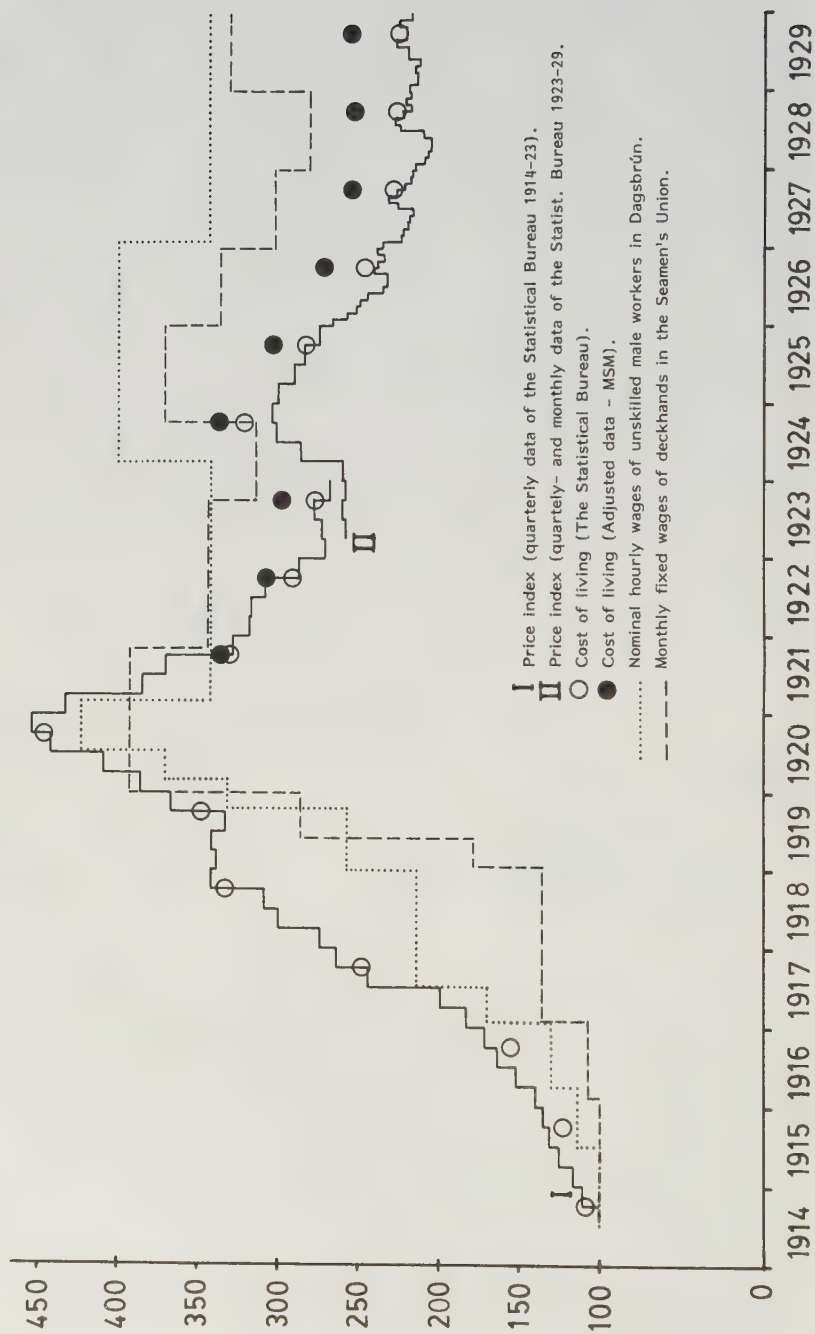
With temporary exceptions only the real time wages rose from 1919 through the 1920s until 1931. Nominal wages were quite stable since 1921 while the rising real wages were primarily caused by the deflation. While during the 1930s nominal wages and the prices were practically fixed the changes in real wage-rates were insignificant. (22).

Table 7.4. The main phases of wages and prices, 1914-39.

	1914-18	1919-20	1921-31	1932-39
Nominal wages	Rise	Rapid rise	Stationary	Stationary
Real wages	Decline	Rise	Rise	Stationary
Prices	Inflation	High inflation	Deflation	Stationary

The table simply presents the outlines of the wage-rates-development, real wage-rates and the cost of living. All these periods also had unique characteristics in terms of general economic and social development and conjuncture, having effects on the standard of living (and annual incomes) of the working classes. But in the daily struggles which concerned hourly wages it is necessary to take particular notice of the factor which the agents on the labour market considered essential in the inter-war years, namely the cost of living. The changes in the cost of living index were the most important signal for the partners on the labour market to decide the share of labour in the production, and how to act (strikes and lockouts). With the term "signal" the causal effects are not necessarily revealed; it is

Figure 7.5. Prices and nominal wages of main groups of workers in Reykjavík 1914-1929. (1914=100)



most certain that the employers reacted comparably forcefully to changes in profitability and that the wage struggle on the workers' side was conditioned by the state of employment. However, in terms of arguments and moral persuasion the impact of changes in the price level was powerful, notwithstanding differing methods of measurement.

We can pick out two important aspects which show clear correlation between the price-fluctuations and the form of conflict concerning wages. An example is the fourteen year long struggle of deck-hands in Reykjavík between 1916 and 1929. This period illustrates the changing fortunes of two of the then most effective interest organizations on the labour market: the deck-hands and the trawler owners.

According to Sigurjón Á. Ólafsson, a socialdemocratic MP and a leader of the Seamen's Union in Reykjavík, there had occurred five major conflicts, of which the employers were responsible for three by lockouting. By comparing the form of labour-capital disputes with the price development, we get the result as shown in Table 7.5.

Table 7.5. Lockouts and strikes in the trawling industry, and the price development, 1916-29.

Year	Price changes	Form of conflict
1916	inflation	strike
1921	deflation	lockout
1923	deflation	lockout
1925	deflation	lockout
1929	no change	strike

Source: Alþ.tíðindi 1929, C 1007-15 (SÁÓ); Hagtíðindi 1916-29.

According to this the changing fortunes of the trawler deck-hands and their employers were heavily dependent on the price development, which naturally affected the distribution of the production-value between labour and capital. Ultimately it was the total situation of the workers and employers within the capitalist mode of production which determined the character of the class struggle. As wage labourers with more or less fixed wages the deck-hands had stronger incentives to confront the employers than those fishermen whose incomes were in the form of piece-wages. With piece-wages the risks were spread among the employers and the employees, whereas in trawling the owners took most of the economic risks in their branch.

The system with fixed monthly wages implied that good fishing seasons created super-profits for the trawler owners, while bad seasons could quickly lead to losses. The profitability of the trawling branch depended of course not only on the crew-wages, but on a set

of economic variables such as the foreign markets and selling prices abroad, the value of the Icelandic króna, the capital costs of the trawlers, mostly built in the inflationary years of 1919-1920, the costs of fish-processing, and of course the volume and composition of the catches. It is not our intention here to penetrate into the financial complexities of the trawling industry, but simply to point out that the actions of the entrepreneurs in the 1920s were guided by the search for higher profits. Their problem, however, was not the production costs per se, but the high capital costs in the deflation era. This burden the employers were prepared to place on the shoulders of the fishermen at the price of open conflicts by lockouts.

Figure 7.5, which illustrates the nominal (month by month) wages and prices shows a turning point in 1921, the start of the deflation-era in the 1920s (with 1924 as exception). This was a shift from what has been called 'profit inflation' to 'profit deflation' (23), which in our case had two very significant effects: Firstly, a turn from struggles to raise wage-rates to wage-preserving actions, and secondly, the employers' eagerness to counteract the workers' advantageous position through a combination of a carrot and a whip, i.e. by lockouting and negotiating.

Between 1920 and 1930 the real hourly wages of manual workers and seamen in Reykjavík rose by ca. 60%. The ups and downs were quite similar from one group to another; rises in 1920, 1925 and 1930-1, but decreases in 1923 and 1927-8. The deviations of the wages of the unskilled males (in Dagsbrún), particularly in 1925-6 and during the 1930 need a short explanation. The index refers to wages in the harbour area primarily. In 1925-6 the employers' attacks on the workers' wages were unsuccessful with a respect to the dock labourers, who maintained the hourly wages of kr. 1,40, while workers in other places were claimed to earn less.(24) These higher wages were therefore exceptional and the workers' unions were not able to take advantage of this situation in other branches. As a result, it is probable that the wage-rates of both female workers and seamen may describe the actual situation better than the widely quoted Dagsbrún-rates.

The second deviation of importance was the agreement in May 1930 between Dagsbrún and the employers, leading to a cut in the ordinary working day from 10 to 9 hours in combination with a pay-rise of 13 1/3%. Although the figure shows substantial wage rises the effect on the daily wages and annual wages was practically unaltered; the day wages rose by 2% if other things were unchanged.

A year earlier the National Assembly had passed a labour act which secured the trawlermen a shortened working day when fishing. This reform, however, for natural reasons (like the original reform from 1921) could not be traced in the monthly wages of Dagsbrún. Hence, the results of the comparison presented in Figure 7.4. must be taken with a grain of salt.

During the inter-war period the females usually earned only 60-65% (ca.) of what the males did.(25)

Table 7.6. The female wage-rate in Framsókn, compared with male workers in Dagsbrún, 1914-1939. (Averages)

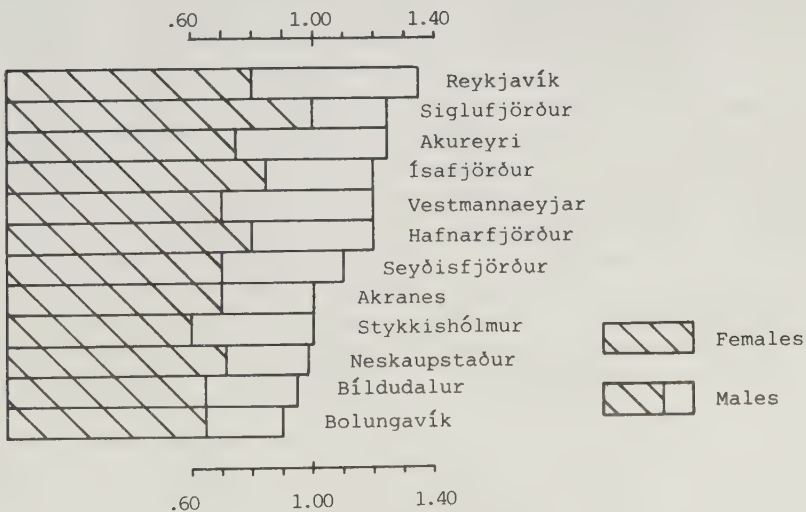
Periods	1914-19	1920-24	1925-29	1930-34	1935-39
Per cent	61.4	65.6	59.1	59.3	59.8

Sources: Framsókn 50 ára, p. 67; Auður Styrkársoóttir: Kvennaframboðin 1908-1926, p. 26; Dagsbrún 50 ára, p. 21

Since the female-wages are measured in terms of the wage-rates in the harbour area the shown result somewhat underestimates the actual situation. This almost invariable wage-ratio does not indicate any improvements towards equality between the sexes. It must be added that the employment situation of the females during the 1930s deteriorated dramatically.

By looking at the wage rates in a countrywide perspective Figure 7.6. shows that in 1934 there were great differences in wages between the various towns; the males got between kr. 0.90 and 1.36 per hour, the females kr. 0.60-1.00. The size of the towns, the

Figure 7.6. Hourly wage-rates by sexes in selected towns in Iceland, 1934.



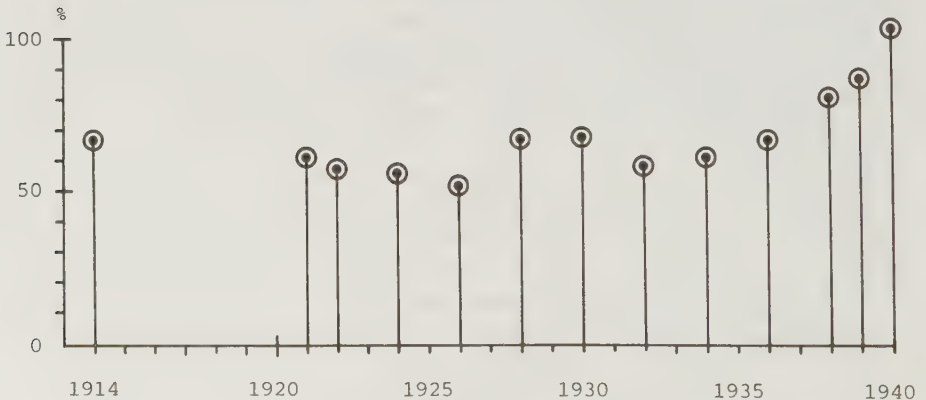
Source: Álit og tillögur millipínganefndar í launamálum 1934, p. 26.

employment situation, the prices, the degree of proletarianization and the maturity of the labour movement (26) set their marks on the final outcome of the wage-rates among the workers.

Like in many other issues concerning the development of wages the statistical sources were scanty, and those existing may well express biases of some kind. In this particular instance the information was provided by the Labour Federation which naturally emphasised the official wage-rates of its local member-union rather than the actual level of daywork-wages. It is very desirable that such information is counterbalanced by other sources.

The annual incomes 1914-1940. The phenomenon of seasonal employment (unemployment) devotes special here attention as one of the distinguishing characteristics of the socio-economic system. The duration of employment opportunities was beyond doubt of decisive importance for the final income of the working-class family. The above focus on the hourly-, weekly- and monthly yields is primarily a compensation for the lack of information about the annual incomes of the working people. The major sources of annual wages in Reykjavík are: Firstly, the scattered information available in newspapers and contemporary descriptions of the workers' situation, and secondly, the pre-mentioned study of the annual incomes of ca. 80 workers in Reykjavík 1921-40, according to their taxed incomes.(27) Taken at face value the index of the taxed incomes (1914=100) did in real terms rise in the 1920s; between 1928 and 1934 the wages stood almost still, except for a small reduction in the worst crisis-year in 1932; and

Figure 7.7. The taxed incomes of workers in Reykjavík in proportion to daywork wages of a union member, 1914-40.



Sources: Calculations based on: Þorsteinn Þorsteinsson: Raunveruleg laun verkamanna í Reykjavík 1914-1942.

A comment: The work year (day-work x 300) was 3000 hours in the period 1914 to 14/5 1930 and 2700 hours in the 1930s.

from 1936 to 1940 the wages rose impressively, especially in 1938. Compared with the real wage-rates the annual incomes show some parallels, which might indicate changes in the level of employment. In 1928 and 1930 the annual incomes rose by 20-25% as compared with 1926, although the hourly real wages were mostly unaltered. Between 1930 and 1934 the situation was reversed; the buying capacity of the hourly wages rose, while the annual incomes in real terms fell. The employment situation had without doubt worsened again. Figure 7.7. compares the actual annual workers' wages with the hypothetical maximum daywork wages of unskilled workers in Reykjavík. In social content the figure might indicate the level of employment measured in per cent of full employment (=100).

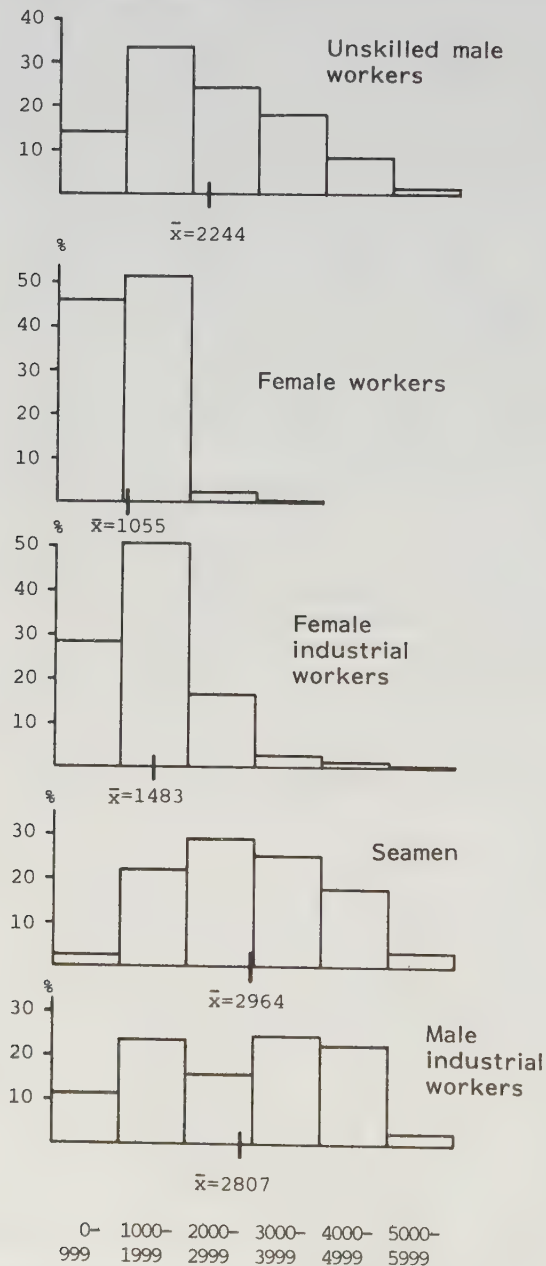
The figure motivates a critical consideration of some of the generally accepted "truths" about the social and economic development in the inter-war years:

1. The employment-level was somewhere between 50 and 75% until the late 1930s. The unemployment in the 1920s could be measured with the crisis-years in the 1930s. This result - although surprising - is supported by the unemployment statistics for the respective decades (see Chapter 8).
2. The rising employment levels in 1928 and 1930 were expected. That the employment situation had improved in this period is known but underemployment was nevertheless prevalent.
3. The figure contradicts the official unemployment statistics in the 1930s, especially in the early decade. Alternative information about unemployment does undermine the credibility of the public unemployment statistics, as will be discussed in the following chapter.
4. Seasonal unemployment in the inter-war period was more or less a permanent problem.

Finally, some warning. This chapter has been devoted to the workers' incomes within the controversial realms of "averages" and other such generalizations. The mere tendencies and indications, however, are only one aspect of the conditions of living. By restricting ourselves here to the income side of the matter the spread of incomes around the averages does provide useful examples of how the economic system affected different groups of workers - even within the same occupational category. For example the seamen's incomes varied greatly according to their working on trawlers, motorboats or some other vessels.(28) Figure 7.8. is based on the incomes of five groups of working people in Reykjavík in 1934, and shows how they were distributed. It shows not only great wage-differences between the males and females, but also illustrates that a great proportion of the unskilled wage-earners were in a miserable situation with extremely low wages.

Although the figure depicts the situation in a period of world crisis it was without doubt valid for the previous periods as well. The lack of statistical sources prevents any attempt to illustrate but

Figure 7.8. Incomes of selected groups of worke people in Reykjavík 1934. (Icelandic krónur)



Source: Skipulagsnefnd Atvinnumála. Álit og tillögur I (1936), pp. 58-74.

the faintest tendencies of income development in a long-term perspective. But the general patterns of development can be grasped on the basis of contemporary accounts in newspapers, by consulting the trade unions' meeting records and the like. In spite of the existence of sophisticated statistical accounts for describing historical situations and processes, the old method of referring to the living contemporary witnesses and various chroniclers is still valid.(29)

Notes to Chapter 7.

1. Þorsteinn Þorsteinsson (jr): "Raunveruleg laun verkamanna í Reykjavík 1914-1942." (Unpublished kand oecón paper at the Library of the University of Iceland). The author kindly permitted me to use his findings.
2. E.P.Thompson: The making of the English working class, p 67-72.
3. For the rowing-boat era see the monumental work of Lúðvík Kristjánsson: Íslenskir sjávarhættir, vol. 3.
4. Árbók Reykjavíkurbæjar 1950-1951, p 99-104; for earlier periods and the inter-war era see: Lúðvík Kristjánsson: "Hlutaskipti og stöfútgæð." in Straumhvörf 2nd year, 2:1944, p 46f; Dagsbrún 4/6 1916; Skipulagsnefnd Atvinnumála. Álit og tillögur I, p 499; Pétur G. Guðmundsson: Tíu ára starfssaga Sjömannafélags Reykjavíkur, p 10-11; Alp.íð 1929, C, 1012-13 (SÁÖ).
5. Ísafold XVI (1889), 4/12; Alpýðublaðið (eldra) 1906, p 17-26; Verkamannablað, 31/5 1913; Dagsbrún 24/5 1919; Alpýðublaðið 6/2 1920; Alp.íð. 1930, C, 869-73.
6. Jón Krabbe: "Íslands ókonomiske udvikling." in Nationaløkonomisk Tidsskrift (1906), p 324.
7. Dagsbrún 13/12 1916; 1/1 1917.
8. The best account is provided by Heimir Þorleifsson in: Saga Íslenskrar togaraútgæðar fram til 1917, p 142-72; see also Pétur G. Guðmundsson: op. cit., p 40-58; Skúli Þórðarson: 50 ára starfssaga Sjömannafélags Reykjavíkur, p 35-38; for an employer's view see Thor Jensen: Framkvæmdaár. Minningar II, p 164-69.
9. Magnús S. Magnússon: Prices and day-work wages in Iceland 1820-1914. The assessed market price scales of 13 selected price series. (Stencil), Lund 1983.
10. "Skýrsla um verðlag á ýmsum íslenskum og erlendum vörutegundum og vinnulaun, samkvæmt reikningum Holdveikraspítalans í Laugarnesi árin 1898-1912." in Landshagsskýrslur fyrir Ísland, (1912), pp 357-411; See explanations in Appendix C.
11. Published in Dagsbrún, 14th year, 1:1956, p 21; Tölfræðihandbók 1974 (Hagskýrslur Íslands II, 63), p 153.
12. See f. ex. E.J.Hobsbawm: The age of capital 1848-1975, especially chapter 2 where the general framework of the expansive era 1848-1973 is discussed.
13. David Landes: The Unbound Prometheus (1969), p 233f; W.A. Lewis divides the trends into the periods ca. "1770 to 1813, fall to 1849, rise to 1873, fall to 1896, rise to 1920 and fall to 1933." Growth and fluctuations 1870-1913, p 24. In terms of long-wave fluctuations in capital accumulation the periods are according to E.Mandel as follows: 1793-1825, expansion; 1826-1847, stagnation; 1848-1873, expansion ("Sturm und Drang" of capitalism); 1874-1893, stagnation; 1894-1913, expansion; 1914-1939 stagnation, Late capitalism (1978), p 130-1, also by the same author: Long waves of capitalist development (1980), p 1ff.
14. Þórbergur Þórðarson: "Lífnaðarhættir í Reykjavík á síðara helmingi 19. aldar." in Frásagnir, p 77-153.
15. Jón Guðnason remarked that the slump was already a fact in the autumn 1907. Skúli Thoroddsen, vol. 2, p 436. As the various statistics indicate, the effects in Iceland were manifest foremost in the years 1908-9. In construction in Denmark the pattern

was almost identical, see: Jørgen Peter Christensen: *Lønudviklingen inden for dansk håndværk og industri 1870-1914*, p 218.

16. "The drops in imported food prices and increases in money wages kept real wages rising up to 1895. Between then and 1913 real wages actually fell." A.Glyn/B.Sutcliffe: *British capitalism, workers and the profits squeeze*, p 18, also Table 2.6. on p 47. W.A.Lewis (op. cit.) remarked that: "A pronounced feature of the upswing of prices was that real wages in manufacturing, rose much more slowly after 1899 than before (actually declining in Britain and France)." (p 94) The following table (which is mainly based on Phelps Brown's figures) reveals that "money wages rose at constant rate irrespective of what was happening to the cost of living ... The maverick is the USA, and this only because 1899 is not a peak date for the USA, as it is for the other three." (p 107-8). To this we may add that - as shown in the table also - real hourly wages in Denmark and Sweden increased more than in the four countries referred by Lewis. The slower rate in the period 1899 to 1913 is however apparent, especially of real wages in Denmark as compared with the previous period:

Growth rates for wages (% per annum):

	real wages		money wages	
	1883-99	1899-1913	1883-99	1899-1913
UK	2.0	-0.3	0.9	0.9
France	1.6	-0.1	0.7	2.3
Germany	1.9	0.5	0.8	0.9
USA	1.8	1.1	2.0	2.2
Sweden	2.3	1.8	2.2	3.0
Denmark	3.3	1.2	2.5	2.3

Sources: W.A.Lewis: *Growth and fluctuations 1870-1913*, p 94, 107; G. Bagge et al: *Wages in Sweden 1860-1930*, vol. 1, calculated from table 5, p 62; Jørgen Peter Christensen: *Lønudviklingen inden for dansk håndværk og industri 1870-1914* (Tekst), calculated from Table 11.1, p 212.

17. As an example of the discrepancy between real hourly wages and real earnings per man Haraldur Jóhannsson remarks that between 1938 and 1947 they rose by 51% and 127% respectively, due to totally changed conditions on the labour market. *Efnahagsmál*, p 84f.
18. *Alþ. tíð.* 1929, C, 1118-20.
19. *Vinnuveitendasamband Íslands 40 ára 1934-1974*, p 5ff.
20. The minutes of Dagsbrún (Fundagjöðrir Verkamannafél. Dagsbrún í Reykjavík) 13/5 1926. See though a similar comment with regard to the Seamen's Union in Reykjavík, in *Alþýðublaðið* 15/3 1921. The harbour area anyway is constantly a focal point.
21. Þorsteinn Þorsteinsson: "Iceland and the war" in Sweden, Norway, Denmark and Iceland in the World War, (New Haven 1930, p 576)

22. The discrepancy here from previous literature, showing a slight decline in real wages, rests on different assumptions about housing costs in the cost of living index, see Appendix C.
23. E.Nell: The Revival of political economy, in Ideology in social science, p 93. The terminology is from J.M.Keyne's: Treatise on Money.
24. It was remarked that workers in construction earned kr. 1,20 per hour and communal workers were said to earn kr. 1,10 per hour. See The Minutes of Dagsbrún 1926-1933 (13/5 1926)
25. Álit og tillögur millipinganeðndar í launamálum 1934, p 26.
26. Haraldur Guðmundsson noted that wages were higher in those places where trade unions were active in contrast to non-unionised towns. Alþýðublaðið 1/5 1925.
27. See note 1.
28. Skipulagsnefnd Atvinnumála. Álit og tillögur I, p 72, 462-4.
29. See an illuminating discussion on this matter in E.P.Thompson: The making of the English working class, ch. 6 and 10.

Chapter 8

SOCIAL POLICY AND SOCIAL CHANGE

8.1. Introduction.

This chapter deals with an era which connects two different régimes of social policy-making. Firstly, that of the old poor-law legislation; and secondly, the approaches towards modern social "welfare policy". As far as demarcation of periods is concerned the lines are by nature uncertain.

The scope of the concept "social policy" is here restricted to key-items of social and economic processes which concerned the reproduction of the working class. The effects of urbanization and proletarianization on the employment situation here serve as illustrative examples. The aim is to show how actual social problems were encountered in face of the half-hearted responses of the authorities. It is also of interest to study what areas of social legislation were actualized and to what groups of people they applied. Social policy changed character in the transitional era and it is therefore appropriate to expose this intervention with regard to the main features of the old social system and the "welfare state" respectively. In both cases it can be asserted that the ultimate purpose of social policy was to preserve the functioning of the prevailing social and economic system by holding in check deviations and self-destructive tendencies in respective social formations.

8.2. The pre-industrial social policy.

Social policy in Iceland has only on a few occasions been a focus of serious interest. The most widely quoted works hitherto are anthologies written in the 1940s, which mainly served the needs for an appraisal of the role which the legislative and the administrative apparatus had played.(1)

In a simplified perspective the old Icelandic social legislation rested on two major aspects with regard to the socio-economic system; aspects which can be labelled functional and socio-dynamic respectively.(2) Firstly, the functional aspect referred to the specific welfare needs within the farming community; that of poor relief in general; including customary care of relatives, the old and weak,

orphans, etc. An early response to such problems was the commune ("hreppur") as a basic unit of mutual aid. That this system prevailed throughout the centuries must be seen as a sign of stability. The commune should, according to the law, consist of a minimum of 20 assessed farmers who had the responsibility of supporting the needy who belonged to their area.(3) The commune was responsible for those who were born within it, or had worked there for a long period. Those in need outside their home-commune were usually turned back if they were not contracted as domestic servants or had some host. The dividing sociological line which decided the social status of individuals was a possession of a minimum-sized farm (3 hundreds = 3 cow-values). Access to land was instrumental in this system, which consequently stamped the have-nots as dependants of some kind. The groupings along these lines were discussed in Chapter 2. Secondly, I refer to a so called socio-dynamic aspect. The preservation of social immobility and a prohibition of free labour was the other side of the social legislation. The effectiveness of upholding this demarcation line vis à vis the lower sections of society touched upon the dynamics of the old system. The ability and propensity to circumvent the written and unwritten codes of the farming community varied. This could lead to several forms of modifications of the poverty line with regard to: Changes in sub-tenancy (mainly farming); changes in cottage-dwelling (fishing); and, changes in vagrancy, begging and other forms of extreme poverty.

The part and parcel of the poor law system was the authorities' direct and indirect control of individuals belonging to the marginal groups in society; those who lived in the backyards of the prevailing modes of production. The groups which were most frequently affected by such "public" measures were those who constituted the potential labour force within the farming community; simply those able to work for others.

The emphasis here is on the relationship between changes in the specific reproduction pattern of labour in Iceland and the embryonic forms of modern social policy.

8.3. Between poor-law legislation and the "welfare state".

When the old system of domestic service (vistarband) gave way to the liberalization of the labour force in Iceland it did not directly lead to an establishment of a new system of social security in cases of unfitness to work, whether temporarily or permanently.(4) It should not be forgotten that the winds of change were already in the 19th century blowing towards liberalization from poor-law mentality. Furthermore, the modernization tendencies were affected not the least by the social and ideological currents in Denmark. Many social re-

forms in 19th and 20th century Iceland were copies of such Danish reforms.(5)

The domestic servant was guaranteed assistance when disabled to work during the contract-year. The young urban proletariat; the seamen, the day-workers, etc., was practically left outside an institutionalized social security network until the 1890s. The two Acts of reform (The Navigation Act of 1890 and The Apprentice Act of 1893) were both based on the old principle of master-servant relationship. A further sign of change came with the Seamen's Act of 1903, which guaranteed the relatives of drowned fishermen a small money compensation. The maintenance of the labour power when in need showed that the fundamental traits of the poor-law system prevailed until the Social Insurance Act of 1936 (Almannatryggingar). Nevertheless, the old unpopular system was circumvented when possible in several ways by routes which mostly lay outside the public institutions: f.ex. through the charity societies, voluntary old-age pensions funds, and some other independent relief funds ("styrktar-sjóðir") of which some gained legal status. Labour union benefit funds were also established at an early stage.

The transitional episode had an ad hoc character in the sense at the initiatives of small groups of persons money was contributed to numerous tiny funds which assisted persons in need.(6)

8.3.1. Old-age pensions.

The early signs of post-poor-law legislation begun in 1890 with old-age relief funds established in all towns and communes. The object was to henceforth assist old and poor people who were no longer capable of sustaining themselves by work. The receivers of these funds should not lose their civil status like the poor-law receivers, but the funds were in practice of no help in avoiding such personal catastrophes. The contributions from the old-age funds amounted to only 2,8% of the total grants to poor relief at the turn of the century.(7)

Prior to the 1909-reform the old act was undeniably a "class" act directed to the workpeople aged between 20 and 60, whether in service or not ("vinnuhjú" and "lausafólk").(8) The male workers were obliged to pay annually 1 kr. and women 0.30 kr. to the local funds, which during the first years were placed at interest and frozen. The control over the funds - as with the poor reliefs too - was in the hands of the local authorities (bæjarstjórnir, hreppsnefndir), which decided the urgencies of the old contributors who were not poor relief receivers (paragraph 7). No direct rights followed these obligatory payments, which reminds more of an originally class based poll tax changed into a general poll tax in 1909.(9) This arrangement shows that the system of public charity

still predominated, although in a new form intended to prevent some of the old to become poor-law receivers. It is well known that the actual situation at the turn of this century was bad.(10)

In 1929, a leading social democrat in the National Assembly commented on the meagre contributions to old-age pensions and stated that 30-70 kr. yearly were of no help to avoid a poor-law status.(11) It was not until the Social Legislation Act of 1936 that a significant change towards an improved Pensions Fund occurred. Previously, state functionaries, primary school teachers and the printers at least had had independent pensions funds. Still in the 1930s the old system of direct assistance of either relatives or authorities prevailed, while the old-age pensions based on own contributions existed in embryonic form only.

8.3.2 Trade unions and sustenance.

One of the early efforts of trade union members was to organize a variety of measures to avoid the hardships of life during the slack season of employment, or in cases of illness or death. Various funds were established; sickness funds, embryonic unemployment funds (sometimes used during strikes and lockouts) strike funds, etc. Also the union members got a piece of land for growing vegetables, as in the case of Dagsbrún, the general union of unskilled male workers in Reykjavík. This last item was supported by the town council in Reykjavík, and surely the idea was to lessen the pressure on the relief funds and the tax payers.(12) The greatest activity was in the 1910s and the 1930s.(13)

It is doubtful to trace the origins of the cultivation efforts to the frequent discussions in the National Assembly on this matter. The Cottars Act of 1888 obliged cottars (NB in the rural districts) to cultivate an area of ca. 1500 m² of land within 7 years (if not already done). The aim was to broaden the cottars' basis of sustenance and to maintain a continued reliance on land in rural areas.(14) Although the proletarianization process enforced the workers to sell their labour power on the labour market, it was usually not enough to make a living, even in times generally accepted as expansive.(15) Other features were the occasional trade cooperatives of workers and a bakery established by the Labour Federation. Both were means to press down the workers' costs of living in Reykjavík. Charity, both among fellow workers and in the spirit of middle class humanism, was another frequent element, especially among the women.

A well known example of how the workers' life-situation was drawn into the welfare process is the specific circumstances in Reykjavík in 1917. The sale of half of the steam trawler fleet in Reykjavík was then a hard blow for the working people in the town, not only the seamen, but also the members of both Dagsbrún and

Framsókn (unskilled female workers, in the fishing industry mainly). A part of the sales-profits was used to establish a sickness and accident fund for the organized part of the workers in Reykjavík, or more precisely: those in The Federation of Labour (ASÍ).(16) The claimed purpose with this fund was to a) relieve the burdens of the poor relief funds, and b) avoid the loss of civil status of those not able to work, whether because of accident or illness.(17) It was not part of the humiliating poor-law apparatus. About 2/3 of the fund's payments during the 1920s were due to illness; the remaining part (1/3) went to the offers of accidents.

8.3.3. Insurance. From fishing to industry.

Icelanders suffered more by fatal accidents than other European countries in the period concerned. The Icelandic rate was approximately three times the average elsewhere, while the general mortality rate showed no such disparity after the turn of this century.

Table 8.1. Fatal accidents and the general mortality by selected countries (annual rates per 10,000)

Country/year	Fatal accidents	Drownings (total)	Mortality rates
Norway (1905-09)	3.8	3.1	136
Germany (1906)	3.7		165
Denmark (1890-99)	3.2		132
Sweden (1901-06)	5.6	1.8	149
Iceland (1881-1910)	11.2	9.3	195
Iceland (1911-1940)	8.6	6.1	126

Sources: Guðmundur Björnsson: "Mannskaðar á Íslandi" (1912); Mannfjöldaskýrslur 1916-1940; Almannatrygging á Íslandi, p 222; Statistisk Årsbok för Sverige 1918:(tables 50 and 51), 1945:(tables 43 and 51)

By consulting the table we can furthermore conclude that in the period 1881-1910 about 83% of the fatal accidents in Iceland were drowning accidents (9,3/11,2). If by eliminating these accidents the fatal accidents per 10.000 would have shown totally different rates or 1,9, which is lower than the reference countries in the table. Since the Icelandic drowning figures in the table included all the offers, the drownings of males aged between 15 and 59 years were examined, though only for the period 1911-40. These males made up 86% of all drowned; the remaining 14% were females, children and aged people.(18) These adjustments show that if by leaving aside the economically active males the fatal accident rates in Iceland 1881-1940

would show figures very similar to those of the countries referred to, or 3,2 and 3,4 per 10.000. This means that drowned seamen made up the enormous gap in fatal accidents vis à vis the reference countries; including Norway which also had extensive fisheries. The Icelandic Director of Health, Guðmundur Björnsson, in 1912 estimated from Norwegian and Icelandic statistics that the crude drowning rate in Iceland was at the turn of the century four times higher than in Norway.(19) The discrepancy was at one point catastrophic; the drowning rate of Icelandic fishermen was approximately twelve times higher than of their colleagues in Norway (12 fishermen resp. one fisherman per one thousand fishermen). Although the statistical material might be adjusted and elaborated to somewhat reduce this difference the result was undeniably alarming. Furthermore, G.Björnsson emphasized a very delicate and controversial side of the matter which immediately gave reply. He claimed that the drowning rate on the Icelandic decked sail vessels was higher than on the rowing boats. The drowning ratio in the years 1904-10 was according to him 15 per 1000, or above the national average. This put these particular vessels in focus as the greatest threat to the lives of the fishermen. Proceeding further, the worst enemies of safety were not environmental factors such as climate or geographical circumstances, but elements related to the management of the fisheries (including maintenance and reparations?) and the education of fishermen. The result was incautiousness and disinterest in making this business safer.

It might be added for example that the main subject of disagreement in the National Assembly in 1903 - when a bill concerning the inspection of decked vessels was presented - was whether life-boats or work-space onboard should be given priority. A part of the MP's were openly willing to restrict the life-boat capacity to ca. half the crew.(20) Nevertheless the bill was passed, while its effects together with other future acts were considered rather moderate - at least prior to 1922.(21)

As noted, G.Björnsson's critical points could not be left unreplied nor ignored. In an unsigned leading article in the periodical *Ægir* (22) the author objected on three main points: Firstly, the statistical information wasn't detailed enough to separate the drownings of fishermen from other accidents; whether in lakes, rivers, cargo vessels, etc. Nor did the statistics distinguish boat accidents from those on the decked vessels. The information provided by the Seamen's Life-insurance Fund (*Lífsábyrgð sjómanna* 1904-09) was used as a complementary source. Secondly, the unknown author claimed that the period 1904-10 was very unfavourable for the decked sail vessels if compared with the preceding decade with its six drownings per one thousand fishermen in the Faxa-bay area. Thirdly, there was generally an emphasis on a few ships with large crews - which admittedly was an undesirable course.(23) It rendered the fisheries

more open to drastic catastrophes in contrast to the situation - as in Norway - when the fishing vessels were more numerous and the crews smaller. The fisheries in North Norway (Lofoten) - and Vestmannaeyjar in the mechanization era - were characterized by this second current. The author noted also that both environmental and administrative conditions in Lofoten contributed to the efficient sparing of fishermen's lives.

Whatever, the reason for the higher rates of drowning than elsewhere, the fishermen were the occupational group which received most attention in the process towards modern social legislation. In the period 1881-1905 over 1/3 of the drowned males in Iceland were married.(24) Although this ratio seemed invariable it is highly probable that the urbanization process highlighted the social consequences of widowhood more than previously.

Between 1903 and 1925 the seamen were the only occupational group among workers which had some form of accident insurance as a crucial part of the social legislation. Previously, only a few charity funds were open to the survivors of drowned seamen.(25) In spite of the meagre reforms in 1903 and after, the opposition in the National Assembly to extended benefits of fishermen remained strong. Friðgeir Bjarnason gives examples from the 1910s of the particularly strong position of MPs employers that were in the fishing sector who for the most paralysed further reform-attempts in the National Assembly.(26) As we shall see below this conservatism and opposition against fishermen continued.

In the very beginning (1903-1917) the insurance compensations were paid only in cases of death; to widows, children or close relatives. At first the insurance concerned larger fishing vessels, but was soon extended to include the motor boats and even some of the rowing boats, although it was much more difficult to administer. With the Insurance Act of 1917 the compensations were increased considerably and extended to cover invalidism (20% or more) of fish-seamen.

Until 1925 the guiding principle concerning premium payments was that both the seamen and employers should share the insurance costs. The seamen paid 50-75%, the employers 25-50% of the premiums. Some attempts were made, especially in 1911-12, to exempt the employers totally from the premium obligations and undermine this unsatisfactory reform. This assault was waged under the banner of economic liberalism and free enterprise of the agents on the market.

Although the original program of the Federation of Labour/The Social Democratic Party from 1916 contained a demand for greatly improved "life insurance" of seamen, it fought most of all for improvements of the fishing sector in general.(27) Quite soon however, or in 1919, Héðinn Valdimarsson raised a demand that the employers were made responsible for the insurance premiums in their respective branches and that the compensations should be raised.(28)

The Accident Insurance Act of 1925 (Slysatrygging) marked a new stage in the development of social policy in Iceland. It signified an all-important step towards general social insurance, which paved the way from the poor-law heritage to modernized security. It included three reform ideas, all of importance: Firstly, accident insurance were financed by the capital only, i.e. the employers, with the consent of both partners involved. Secondly, persons injured during work (received daily payments after 4 weeks from the accident until 1930 when the delay was reduced to 10 days).(29) Thirdly, the reform was a big step towards general accident insurance also covering the land based industries (dock labour, transports, public and private construction, manufacture and fish processing).(30)

This act, and the number of reforms introduced during the 1920s, reflected admirably the general traits of the social consequences of the capitalist relations of production, beginning in the fisheries, and and entering other branches at later stages.

Of course, this upswing in social legislation was met with hostility in conservative circles. The MPs who were against this act referred to the irregular character of economic life in the country which made the administration of the law difficult; the seasonal and casual work prevailed for the bulk of the working population. It was only the towns that offered some continuancy of work and the legislation resembled too much imported ideas tailored for other circumstances. The rural population would not take advantage of this legislation.(31)

The facit of the interwar-period leaves no doubt that Iceland followed a similar pattern of social legislation as elsewhere in Europe and that accident insurance constituted the spearhead of this development.(32) Still, however, in 1940 it was estimated that about 40% of all economically active were protected by the accident, insurance legislation while the farm workers formed the largest group outside the system.(33)

8.3.4. Work legislation.

In the previous centuries the aquisition of others' labour (i.e. various forms of rent) was the primary source of wealth in the farming society. The number of work hands (domestic servants, lodgers and cottars, workpeople not in service, etc.) which a master could mobilize and exploit was almost synonymous with an entry to wealth. The low level of technology, however, hampered the accumulation of wealth in various ways and formed a barrier to the eventual greediness of the well-to-do farmers. The relations between master and servant were quite early confined to various regulations through customs which were remote from the axioms of the capitalist's search for maximum profits. Sometimes the old customs and prices were coded and achieved a semi-legal status ("Búalög" f.ex.).(34)

The pre-capitalist work cycle through the year was determined by a set of factors which depended on the prevailing modes of production, as well as climatological/ecological factors. Firstly, the rhythm of the farming activities was very seasonally bound and required very shifting capabilities and qualities. Secondly, the fisheries were allowed only as a complementary activity to farming. However, the allocation of labour between these two different activities very often became problematic, which upset the basic rhythms of work in the farming community. Thirdly, the changeable weather in close connection with the low level of production technology preserved a continuous character of casual work with interruptions of the working day and work seasons as a natural phenomenon. The frequent complaints of laziness were irrelevant under these circumstances, but were closely related to the growth of division of labour in society, together with reduced mobility of labour.(35)

These facts show that under no circumstances did the labour process change the labourers into mere extensions of the working tools; in other words the labour power wasn't subordinated to capital, neither formally or in the real sense.

In the pre-capitalist era the "labour-legislation" was characterized by two or three instructions which dictated the relations between master and servant, or rather the obligations of the servants.(36) The discipline of the servant was coded within the confines of the old patriarchal hierarchy. The master and servants were by no means equal partners, as the supposed total obedience of the servant within the master's household demonstrated. The development of "labour market" in a capitalist economy required a separation between private life and economic compulsions to sell one's labour power. The continued development of labour legislation was furthermore consolidated by two acts in the 1890s following the old framework of master-servant relations; the Navigation Act of 1890 and the Apprentice Act of 1893. Both these acts were based on Danish prototypes which, as mentioned above, stipulated in general how the obligations and rights were shared, with the ultimate purpose of disciplining the inexperienced working class. But, the acts did not regulate the working day and were therefore useless against excess work, overwork and exhaustion.

The utilization of decked sail vessels on a large scale (ca. 1880 to 1910) did not radically change the labour process as concerned the use of technology and the duration of fishing. The changes on these points were in fact marginal. The handicraft basis of production prevailed and the seasonal character of work continued, though the seasons successively became longer. The technological development of capital had not yet revolutionized the labour process to the degree of labour becoming more of an extension of the means of production; the freedom within the production process was eliminated. In short: the decked sail vessels era signified the stage of capital's development

where labour's subordination to capital is only formal, not real. In the trawling era after 1906 a new and intensified situation was experienced with regard to the conditions of labour.

The struggle for the guaranteed hours for resting highlighted better than anything else the changes in the production process which had occurred in Iceland. The struggle furthermore manifested very well the social implications of industrial revolutions and effects on working conditions taking no respect of national borders. The trawling branch also concentrated the greatest contradictions of the capitalist mode of production between labour and capital. While the trawler owners from the beginning constituted the vanguard of the capitalists' interests in the country the trawling fishermen constituted the stronghold of working class interests in the period 1915-1930. Even if the share of seamen within the working class diminished in the long-run during this century this reduction was counterbalanced due to the effects of concentration of fishing capital.

We have already discussed in short the implications of the economic development on the social conditions and social policy, and how the different agents - groups or classes - were expected to act upon such changes. The question arises whether any conflicting tendencies within the bourgeois class were present with respect to the introduction of the first significant labour legislation bill, in 1919, passed in a moderate version in 1921. The confrontations might have occurred between the direct agents of the trawling business and the potential guardians of the bourgeois interests in general. The bill in 1919, which prescribed 8 hours as the minimal time for rest was voted down. The shortening of the working day on steam trawlers was in 1921 approved by the National Assembly, fixing the minimum hours of rest to 6 in every 24 hours. It was considered as a compromise designed to appeal to the majority of conservative and agrarian MPs, while the mouthpieces of the fishing industry were against it.(37) In the parliamentary discussions the arsenal of arguments for both bills stretched from the health of the deck-hands to the pockets of the trawler owners:

1. The working "day" was endlessly long; examples of 60-70 hours in constant baiting or 90 hours of work with 2 hours (!) rest were noted.
2. The law should be considered as a recommendation, not as an iron law.
3. The application of the law was limited to steam trawlers only because of longer fishing periods and seasons.
4. The usual land occupations were regulated by old customs, but the trawling industry destroyed this continuity.
5. The Navigation Act from 1890 was no guarantee against overwork, but gave the captains almost dictatorial power onboard.

6. A similar bill was passed in England because of direct pressure from the insurance companies to save lives and properties from sea catastrophes caused by overwork and exhaustion onboard:

7. It was wiser not to overstrain the workforce because the workers would sooner or later revolt against their intolerable conditions (the ghost of Bolshevism in those days was considered a real threat). Yet, the Icelandic workers weren't in a revolutionary mood, though nobody knew what could happen later.

The opponents of the bill were mainly conservatives, employers, etc. They argued that:

1. The fisheries weren't managed in the same manner as land based factory work.

2. The workload (vinnuálag) on steam trawlers was not heavier than on other fishing vessels.

3. The deck-hands had economic incentives to work hard and were more resistant to the introduction of this bill than before.

4. The captains did not spur their crew as much as previously; and

5. The bill went against the principle of free interplay of the market forces; the state should not mind business in a case which was a matter of bargaining between the employers and the deck-hands.(38)

Some of the opponents could only think of passing the bill if the catches were not reduced as a result of its approval. Hence, the humanity was limited to the profits of the trawler owners primarily.(39) On the other hand it was pointed out that one captain had of his own initiative stipulated rest-hours onboard his ship without a loss in the volume of catches. Capital needed not lose profits because of reduced working hours it was claimed.(40) In economic terms, the marginal productivity of labour could possibly have negative values if the workload was extended to the utmost.

In 1921 the Social Democratic Party had only one MP in the National Assembly. The struggle for social reforms was therefore directly dependent on the chances of persuading MPs of other parties; in the first instance the Progressive Party (the agrarians). Apart from the interesting strategical considerations of the Progressives in terms of power politics in the inter-war era (41) the party supported the 1921-bill on three points: Firstly, general ideas of humanity; secondly, the expected common interests of workers and employers - that good treatment of the workers was synonymous with raised productivity of labour; and thirdly, the exhaustion and invalidity of labour was against the public interests resulting in increased social expenditures to remedy the victims of bad treatment onboard.(42) The crux of the matter is that the Progressives and some of the liberals within the bourgeoisie acted in conformity with a wider framework of capital's interests in contrast to those MPs who in national politics acted as a prolonged arm of the fisheries capital.(43) Although the progress of social policy in the last instance was dependent on the support of the elected representatives, the pressure

from outside was another feature of the reform struggle. For years the seamen had fought for improved work routines on the steam trawlers, but had for the most been met with deaf ears by the employers.(44) Under direct influence from this struggle the land workers in Dagsbrún began planning legislative measures against night work and work on Sabbath-days.(45) This resulted in a bill presented to the National Assembly in 1919, but the first reforms were passed in 1926 - deformed though.(46)

The workers had with this struggle not only fought for improved work conditions but had introduced a new dilemma for the labour movement. If the state apparatus had become an arena of particular social reforms it was simultaneously an invitation to the state's intervention in the general relations between labour and capital. The era of social liberalism ebbed and the class-collaborative state was in sight. The 1920s represented an era which was characterized by the institutionalization of the labour market. The social democrats were prepared to use the state apparatus to achieve goals in favour of the working class in the beginning, but in the end they had to take the consequences of this by accepting the General Labour Act of 1938. Before that occurred they introduced many reform-bills which paved the way for the coming of the welfare state. The reformist policy was nevertheless agitated from uncertain standpoints

It was significant that in their guise as both trade union leaders and reformist politicians the social democrats tended to make a distinction between wage-demands and reforms concerning the work conditions, by leaving the reform struggle outside the wage-bargaining procedures. State intervention was therefore the logical consequence of this policy. Quite possibly this strategy aimed to strengthen the unionized portion of the working class against all the old habits of work which the unions could not deal with effectively. For example, the ability of the unions to shorten the effective working hours of their members was hampered during the 1920s, only the typographers were somewhat successful.(47) When the social democrats introduced a bill against outdoor nightwork in the trawling centers of Reykjavík and Hafnarfjörður, they simply clung to the conception that it was a case for the legislative power and not trade union bargaining.(48)

If work legislation met with compact opposition in these days the bills which concerned the regulation and utilization of capital - inspections of production facilities being the best known example - met with the general approval of the MPs. Factory- and ship inspections bills (in 1912, and 1922) were passed with relative ease and indirectly provided a protection for the workers concerned. Not only were the safety measures improved (inspections) but also guaranteed the skilled workers at least some protection due to requirements of skill and education. Probably, what mattered more were the requirements of the insurance branch which demanded a mini-

mal inspection of the fishing capital they insured. The question arises if this protected the fishermen adequately.

8.3.5. Social policy and social differentiation.

The above mentioned kind of factory legislation was the child of its age when the coding of the behaviour patterns and relations within an infantile production system was under way. We use the sociological term social differentiation to characterize the double process of division of labour and class division - which covers the spectrum of differentiation, including division of labour, division into social classes and social stratification.

Here, we refer to mainly two aspects of this process in relation to the growth of the state interventions. The growth of division of labour and the growing need for an educated workforce, and the sharper polarization on the labour market and within production (vinnulöggjöf).

In 1927 it was remarked that Icelandic crafts' legislation was very wanting in provisions, and it is not strange when keeping in mind the sparse population in the country and the fact that a clear division of labour in the society is new."⁽⁴⁹⁾ Once again it was within the growing fishing sector that the necessity of education became acute. In the beginning, or until 1890, it was required by insurance companies in Denmark that vessels in overseas trade should have a captain and a steersman. In 1889 about a half of the Icelandic decked vessels registered were operated in accordance with the Danish requirements, while those which were used for fishing and coastal transports were outside all navigation regulations.⁽⁵⁰⁾ In close connection with the Icelandic Navigation Act in 1890 a navigation college started in Reykjavík, in 1891. Previously, only sporadic attempts had been made to educate Icelandic seamen, with limited support from the authorities.⁽⁵¹⁾ In 1915, during the mechanization era, The Marine-Engineering College was founded, from which the bulk of graduates became seamen on the steam vessels.⁽⁵²⁾ It was an old and probably costly side to the business that the entrepreneurs in fisheries and transports occasionally had to employ crew members from Denmark.⁽⁵³⁾

The Social Democratic Party from the beginning (1916) supported the idea of a public arbitrator.⁽⁵⁴⁾ In 1925 the party suddenly had to choose between two opposing bills. Then the standpoints were as follows: Firstly, ASÍ propagated for the undisputed right of the partners on the labour market ("atvinnufélag"). Secondly, a compulsory state power (gerðardómur) was not accepted. Thirdly, the planning of a labour court for settling disputes about wage-agreements, strikes and lockouts was against the interests of the working people. Fourthly, a public arbitrator and legally prescribed bargains were preferable.⁽⁵⁵⁾

The bills in 1925 were only the first steps along the institutionalization process. The employers openly declared that work stops (strikes and lockouts) were a diabolic device which a compulsory state power was an agency to avoid.(56) Their stance in the National Assembly was uncertain, however, since the other bill in 1925, presented by Bjarni Jónsson frá Vogli, was not welcomed in the face of a compromise bill presented by the government. It was already known that the workers were much against any compulsory acts against their rights to bargain. The government bill eliminated such compulsory measures to the degree that the state arbitrator had powers only a) to summon the negotiating partners when labour stoppages were threatening, and b) to let ordinary members vote in their respective organizations for or against the compromise proposals of the state arbitrator.(57) In the period when this bargaining act was in force (1925-37) voting in this way occurred only on six occasions and was never accepted by both the partners simultaneously.(58)

In this period too, the only serious attempt to enforce a compulsory state power in labour disputes occurred in the midst of a seamen's strike in January 1929, when the fishing season was to start. A congress bill was presented with the primary aim of hastily enforcing solution in wage disputes. The idea was to add a second instance to that of the state arbitrator, a labour court with powers to decide the wages. The immediate purpose - it was admitted - was to avoid the "diseases" caused by strikes and lockouts, although in the actual vocabulary the strikes were the real enemy.(59) This maneuver against the strikers was unsuccessful, thanks to the great determination of the deck-hands, and the majority in the National Assembly opposed the bill. But the very idea of establishing a labour court was not forgotten. The first compulsion of this kind was enforced by the government in 1938.

8.4. The unemployment problem.

8.4.1. Introduction.

In this chapter we end by treating the unemployment problem in Reykjavík. With few exceptions this problem was prior to World War I totally neglected as a social disease. Unemployment was then primarily a seasonal phenomenon and as such it was considered the natural order of things: the workers should to "lie low" during off season. The scarce documentation from this period of the actual situation is a problem which cannot be solved here. In times when the working class had hardly any means to express itself or to put pressure on the establishment, social problems tended to be ignored. In the

inter-war period, however, the unemployment problem was one of the central spheres of working class activities. The reasons why these conditions then became so highlighted were not necessarily to be traced in any drastic changes to the worse on the labour market, but rather in the political awakening of the working class.

We have already dealt with the important implications of the economic system and its effects on the character of unemployment in Iceland. The situation was not changed very much in the early transition period. Here, we summarise the major features:

1. Employment was seasonal.
2. Employment was inter-sectoral.
3. Unemployment was frequent during slack season while general unemployment was a late phenomenon.
4. Migrant and casual work was extensively practiced.

Of decisive importance for the outcome of social policy was the fact that seasonal unemployment was in conservative circles considered as a natural and acceptable phenomenon and consequently the state should not interfere with this process by supporting the unemployed.(60) Hence, unemployment insurance in the form of money contributions were for decades a tabu.

8.4.2. The actual unemployment.

Even if there were many occasions of unemployment in the traditional society the intensification of unemployment was clearly marked during the 1930s. Then there was general unemployment in contrast to the sharp but mainly seasonal changes in the previous decades. Before the effects of the great depression burst out it was evident that seasonal fluctuations in labour demand were becoming a serious problem, especially in Reykjavík during the 1920s. In order to pressure the town council in Reykjavík the local trade unions in 1921 began carrying out unemployment registrations in times of acute unemployment.(61) Previously the scattered occasions of employment offices for communal projects had shown clearly that the unemployment problem could be widespread in certain periods. In the winter 1917-18, for example, ca. 600 applicants sought for relief jobs (atvinnubótavinna) out of ca. 3300 manual workers in Reykjavík at that time. In per cent the unemployment rate was then ca. 18%.

In Table 8.2. the available information about "off-season" unemployment in Reykjavík after 1921 is sampled while hardly any statistical information exists for earlier times. These figures are in the first instance based on the registrations organized by the trade unions in the town, but sometimes prepared in "co-operation" with the town council.(62) Because of different registration methods the public unemployment statistics are treated separately, except for 1935 and 1938.

Table 8.2. Low-season unemployment in Reykjavík, 1921-1938.

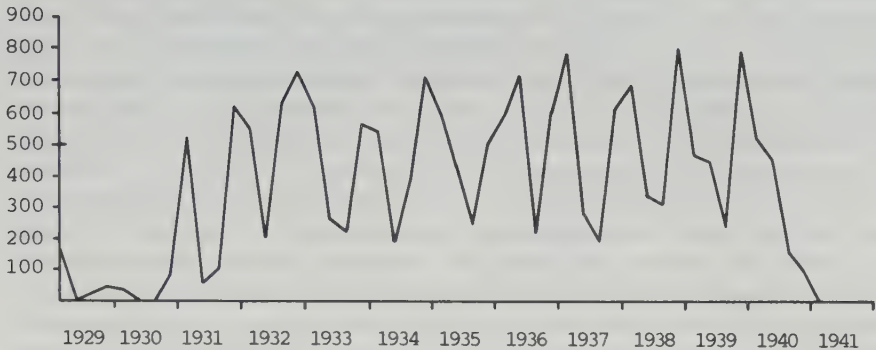
<u>Year</u>	<u>Time of year</u>	<u>Unemployed</u>	<u>Workers in Reykjavík*)</u>	<u>Rate of unemployment</u>
1921	Okt.	407	3898	10.4%
1922	Dec.	485	4161	11.6%
1923	Dec.	614	4424	13.9%
1926	Sept/Nov.	641	5214	12.3%
1927	Okt.	500	5478	9.1%
1932	Okt.	1473	6741	21.9%
1935	1.Nov.	605	7451	8.1%
1938	1.Nov.	824	8160	10.1%

Sources: 1921-32: The Reykjavík Archives: "Gjörðabók Atvinnuleysisnefndar 1921-1926"; "Atvinnubætur 1917-1932"; 1935, 1938: Árbók Reykjavíkur 1940, p 66.

*) Approximated numbers according to the revised population censuses.

By comparing the unemployment data with the approximated amount of workers (not the whole labour force) we get an unemployment rate during the 1920s of between ca. 9 to 14%. This covers the periods when the unemployment situation was worst while there were years when the workers were somewhat better off, for example in 1924-5 and 1928-30. This does not mean that low-season unemployment was non-existent in these years. As could be expected the unemployment in the 1920s was highest in 1923 and 1926. The circumstances during the 1920s were a continuation of the old socio-economic system which was firmly based on the conception that labour was seasonal. While the characteristic feature of the 1920s was the existence of seasonal unemployment things grew worse after 1930 with general unemployment, amplified further by seasonal variations though. The worst situation was suffered in the autumn of 1932 when the working class unemployment exceeded 20% and the culmination of class confrontation was reached in the 9th-November incidence. Protests against wage cuts in outdoor relief work turned into open street fights resulting in a defeat of the police forces and a withdrawal of the wage-cut bill in the town council.(63) At that moment the number of unemployed workers was approximately 1240-1470 according to the trade union registrations while the official figures were much lower, or 731 on the 1st of November (Figure 8.1.).

Figure 8.1. Registered unemployment in Reykjavík 1929-1941.
(Quarterly data)



Source: *Árbók Reykjavíkur* 1940, p 66.

Although there are reasons to discredit the unemployment registrations whether performed by the trade unions or the public ones they show some distinct features which cannot be neglected: Firstly, the high seasons during the year were not capable of eliminating the cumulated unemployment in the slack seasons. In other words, conjunctural unemployment was added to the general unemployment in the 1930s. Secondly, they measured unemployment only among manual workpeople, skilled and unskilled, female workers and seamen and those craftsmen who were engaged in construction. The rate of unemployment is accordingly confined to these groups almost exclusively. Out of skilled groups the typographers registered unemployment in their ranks.⁽⁶⁴⁾ Thirdly, the seasonal unemployment seems to have been relatively stationary from the 1920s to the 1930s. The great depression, however, hit the workpeople hard precisely in the expected high seasons; the crucial periods of breadwinning. Fourthly, the unemployment in the 1930s generally fluctuated between 3% and 10% by seasons, the "average" for the period 1931-40 was 6,4%. Even such calculations can easily miss the essential point; averages of this kind can hide such simple facts that the customary high seasons had turned into bad seasons.

Here, as usual, the key sector was the fishing sector, which underwent considerable structural alterations in the midst of the depression. The market situation had changed drastically in the meantime. The sufferers were the land workers, especially the female fish processors. Whether we consider unemployment statistics as reliable or not they can only to a small degree do justice to the complex situation on the labour market with regard to different workers' groups. The unemployment statistics quite early proved to

be of little value outside Reykjavík. The flexibility of the labourers was extraordinary, which makes estimations within the scope of Reykjavík alone misleading. Quite possibly the changing fortunes of the fisheries could lead to expansive periods outside Reykjavík with labour flowing back and forth. Changed seasonal patterns could easily disrupt the seasonal labour-flow pattern, either leading to mislocations or improved utilization of the labour stock. What we must rely on for a final evaluation of the unemployment are the feelings and responses of the contemporary workers.

The urbanization process at the turn of this century constituted a new dilemma when the employment characteristics are kept in mind. The urban occupations were seasonal like the farming. Many workers worked customarily in both fishing and farming, although their place of settlement increasingly became the coastal towns. Those who very soon reacted to the changed circumstances on the labour market were the farmers who began employing workers (kaupafólk) temporarily. The motives behind such changes were discussed in Chapter 4. The idea was to utilize better the labour power in the country by facilitating the flow of migrant labour, especially between Reykjavík and the countryside. The first attempt was made in 1902 by a merchant, but was unsuccessful.(65) Between 1906 and 1908 The Agricultural Society of Iceland (Búnaðarfélag Íslands) organized a labour exchange during high season in the fisheries, in February to May.(66) Apparently the farmers' demand exceeded the supply of applicants of which women constituted the majority. As a whole the impact of this endeavour was very limited. It was more likely that those willing to work temporarily in the countryside preferred the customary personal contacts with the farmers.(67) Besides, the farmers offered wages that were usually not competitive with those in other sectors.

The establishment of labour exchanges was always considered as an important instance by both the town workers and the farmers. There were first of all the following reasons: Firstly, the maintenance of the worker depended primarily on the number of working hours and thereof the length and number of employment seasons. This appealed to those who strove after a more rational use of the labour force over the year. Secondly, the costly danger of rumors and misleading information about actual demand and supply of labour in the different parts of the country could be avoided with the information being provided by the labour exchanges. Thirdly, a labour exchange was not least a better safeguard for the organized workers living in Reykjavík against the frequent influx of out-of-town workers. It was hoped that the full-time workers (mostly in Dagsbrún) should have priority of work with the assistance of such an institution. There was admittedly a common agreement on this issue since the town authorities preferred selective labour-policy in order to avoid outlay on poor-law reliefs.(68) Fourthly, the increasing division of labour left the farmers farther outside the growing pools

of labour in the towns. As a result of these structural changes the farmers supported the labour exchanges as a device to reverse the labour flow.

In the years 1910-12 considerable efforts were made by Dagsbrún to exert pressure on the town council to establish a labour exchange. The interest was rather calm on behalf of the council which postponed making decisions in this issue.(69) The situation was aggravated during WWI, especially in the bad years 1917-18.(70) The miserable situation in the winter was a most frustrating experience for the farmers who for certain parts of the year needed extra labour. While the existence of general unemployment was denied the farmers were stuck with the problems of an imbalanced labour market. In a congress bill presented in 1918 the exponents preferred a mixture of a carrot and a whip: the authorities should establish a labour exchange with compulsory rights against seasonally idle or unemployed workers in the towns. With such measures the chronic sectorial imbalances between fishing and farming by seasons could be avoided, in particular during the summer 1918 - it was anticipated.(71) The bill was voted down, however, and a more conventional model used: a governmental and locally financed labour exchange operated for several months under the auspices of the Federation of Labour (ASÍ). The purpose was to ease the temporary flow of migrant workers from Reykjavík to regions where work was available.(72) In discussions in the National Assembly a pure liberalist ideology gained the upper hand against currents which preferred the dominance of 'rational' labour policy and productivity considerations above the freedom of the labour power.

In all these efforts the documented experiments with the labour offices were made during high season, in February to May, while the interest during the really difficult months, November to January was calm. These offices seem to have been used as the instruments of mainly farmers and small entrepreneurs in the competition for work-people against big capital, the "high"-salaried occupations in the steam trawling branch and on the cargo vessels. Hence, in spite of the widespread interest to run labour exchanges, at least temporarily, they were not welcomed by the trawler owners whose interest it was to preserve as big an industrial reserve army as possible. The greater the reserve army the bigger the pressure was on the seamen's wages.(73) The trawler owners had nothing to fear from that direction. In 1920 between March and June The Agricultural Society (B.Í.) and The Fisheries' Association (FÍ) co-operatively ran a labour exchange. Farm-work was suffering declining popularity and almost simultaneously a greater emphasis was laid on smothered labour flow between Reykjavík and the coastal fishing towns.(74)

8.4.3. Unemployment registration.

The economic boom in Iceland during the 1920s was a contradictory phenomenon, which can easily be forgotten. In the midst of all economic upswing there were periods when the various sectors stood aloof during parts of the year. Not only during the winter-months, but also in the changes from one work moment or phase to the next the interruptions were manifold. For example on the steam trawlers the changes from the salt-fish season (late winter) to iced fish processing involved considerable changes in the crew-pattern; some crewmen finding themselves redundant a part of the year.

It was shown in Chapter 3 that the migration of workpeople to Reykjavík was exceptionally high in the 1920s. Often contemporary articles noted the uncontrolled character of the labour flow which resulted not only in imbalances on the labour side but also led to serious social problems such as inadequate housing conditions and shortage. Rumors were often guidelines for decisions where and when to search for employment or a new place for settlement.

The social democrats were early proponents for more active labour policy by both local and state authorities. The proposed institution should counteract the economic depressions or bad conjunctures. Such a role was difficult to perform if nobody knew about the basic facts of supply and demand on the labour market. Hence, the early struggle to systematically collect unemployment information was mainly carried out by the trade unions which exerted pressure on the town council in Reykjavík to take measures against the evils of unemployment. The main reasons - the social democrats argued - why the unemployment registration and relief work were necessary rested on the following premises: 1. Severe unemployment in the winter besides rather poor summers. 2. Foreign experiences in the post-war period, for example in England. 3. Excess flow of labour candidates to Reykjavík, even during high season. 4. Concentration of ownership in agriculture (due to rationalizations?) spurred people to leave this sector for the urban areas.(75) 5. The stability of the trade unions was partly dependent on the control over the unorganized part of the work force. In the early 1920s Dagsbrún and The Seamen's Union considered it desirable to slow down the flow to Reykjavík and thus avoid still more competition among the workers. The emphasis was, however, later turned towards more active investment- and employment policy by the authorities.(76) The labour unions also became more sympathetic in their attitudes towards the non-town workers (see Section 8.4.5.).

8.4.4. The dilemmas of unemployment policy.

The conquest of modern social policy implied the de jure acceptance of the most widespread areas like health services, old-age pensions, accident insurance, education, and so on. But, in one case the opposition was unusually fierce and almost compact until 1936: against unemployment insurance. In practice the unemployment insurance were a dead letter until 1956; then as one of the fruits of a long struggle by the trade unions in the previous year. Although the Social Insurance Act from 1936 contained paragraphs which combined voluntary contributions of the trade unions and state support, the conservatives were categorically against unemployment insurance: "It has not been argued whether the social insurance should be adopted or not. The conflict has turned around the unemployment insurance." (77)

The social policy was in practice throughout all the period under examination a combination of a laissez faire standpoint aided by a partly "countercyclical" investment policy for a selected group of workers in Reykjavík; those who were in desperate need of employment. The most common arguments against unemployment insurance approached the problems from the administrative point of view and the opponents were usually eager to emphasize alternative and more traditional solutions. The obstacles, it was argued were owing to the particular economic peculiarities with respect to the demand of labour power:

1. General unemployment was almost an unknown phenomenon in the country until the 1930s. It was seasonal in other words.
2. The complex situation on the labour market (migrations, seasonal work, casual work, etc.) made unemployment insurance too difficult to administer. (78)

The unemployment politics were into the 1930s primarily debated in terms of relief work and secondly in terms of countercyclical investment policy by the state. There existed general consensus around the priority of relief work in contrast to the unemployment insurance. The differences between the political blocks (mainly between the conservatives and the SDP) were centred around two items: Firstly, the social democrats propagated more generous relief work provided by the state and the town council, first of all in combination with investments in infrastructural facilities. Secondly, they also fought for an extension of governmental investment policy both to increase employment in general and to counterbalance the off-season unemployment. Such active policy was in their eyes much more desirable than pure relief work. (79)

The first bill in The National Assembly which proposed unemployment insurance was presented by the social democrats in 1928. This did not necessarily mean that they were enthusiastic supporters of it. The bill came originally from a communist group ("Jafnaðarmanna-

félagið Sparta") of which some of the members were representants in the SDP/Federation of Labour until the schism in 1930. The central idea was that the state, the employers, and the workers should share equally ($1/3$ each) the payments to the unemployment fund. The workers should pay 2% of their total incomes which decided the level of the others. Also, the state should annually contribute with a sum of 20 kr. per worker to the fund. The bill was handed over to a committee and did not resurface.(80) In 1936 the Social Insurance Act contained a paragraph which obliged the state and commune to support financially the anticipated local unemployment funds (50%).(81) Nevertheless, the initiative (though not control) and the other half of the contributions should come from the trade unions, while the employers were exempted from all payments.(82) It was noted that the idea resembled the structure of the health insurance funds then existing.(83)

8.4.5. Problems of labour supply and competition among the working people.

The modernization era, urbanization and growing fishing industry was clearly an unsettled issue in many social respects. In this process the regulation of the labour force was not adequately advanced to avoid the threats of abnormal labour migrations. It was often complained that in the midst of unemployment in one region there would be more than enough jobs in another region. The group that considered itself the biggest loser in this state of irrational labour allocation was the farmers. They could not compete with the capitalist business about the labourers. Hence the bid for labourers from abroad to compensate the draining of the labour sources in the countryside which culminated in the 1920s. In that context the foreign labourers became an issue of debate. It was considered that while they were hired by the farmers the countryside was tapped of its traditional sources of labour; mainly the domestic servants and the dependants of the farmers, that moved to the coastal towns and villages. The migration to Reykjavík culminated in the 1920s as we saw earlier in this chapter and it was considered as a threat to the employment opportunities of the townspeople. Nevertheless, many workers living in Reykjavík migrated temporarily to the numerous fishing towns in Iceland and returned back in the autumn. These labour returns usually launched the yearly occasions of seasonal unemployment in Reykjavík. In spite of various efforts to stave off the competition from the non-town workers they constituted a stable labour force in the economy of the town. The evidences of the constant presence of the non-townsmen in Reykjavík are probably best documented in the fisheries and ocean-transport. Table 8.3. is based on the few investigations which were performed in the purpose

of estimating the impact of out-of-town workers on the Reykjavík-fleet. They show that the share of the townsmen increased in the 1920s.

Table 8.3. The registered townsmen on the Reykjavík-fleet.

	1921 ¹⁾	1924 ²⁾	1928 ²⁾
Steam Trawlers	59%	72%	78%
Freight vessels	58%	72%	3)
Decked f. vessels	47%	30%	36%
Total	55%	64%	70%

Notes: 1) Probably, all the seamen during the whole year are included. 2) The beginning of the winter season in Febr./March.

3) No data.

Sources: Alþýðublaðið 14/8 and 15/8 1922; The minutes of The Seamen's Union (Gjörðabók fyrir stjórn Sjómannafélags Reykjavíkur, 11/3 1924; Fundagerðarbók Sjóm.fél. Reykjav. 5/3 1924; P.G.Guðmundsson: Tíu ára starfssaga Sjómannafélags Reykjavíkur, p.150; Alþ.tíð. 1928, B 4180.

It is obvious that this rising tendency was considered desirable by the leaders in The Seamen's Union. In cases of labour conflicts on the trawler-fleet in the capital the Seamen's Union considered it important that the non-town seamen entered the union. In that way the risk of blacklegging was minimized in the late 1920s. In 1923, for example, the trawler owners tried to take advantage of blacklegging by using seamen outside Reykjavík, but were unsuccessful.

Another side of the matter was the question of cohesion; a higher rate of townsmen could possibly strengthen the ties between the seamen, and consequently their trade union. The question is whether "strangers" were primarily accepted as a reserve army during high season in February to May? They were at least willing to enter the union; on one occasion, in 1925, about 2/3 of the new members were registered outside Reykjavík, most of them arriving from Vestfirðir.(84) It was also no coincidence that the cooperation between seamen's unions in these regions was impressive.

Although the social democrats opposed any legal restrictions on the free mobility of the domestic labour force they were prepared to reduce what they considered as an excess flow of labour to Reykjavík. Between them and the mayor of Reykjavík there was a consensus which resulted in repeated advertisements where the non-residents were warned not to search for employment in the town. These warnings were common in the years 1921-27 and even during other periods.(85) Yet, the aliens arrived in Reykjavík and continued seeking jobs as previously. Many of them settled down and became

registered as townsmen. On one important point the non-residents were severely discriminated. As unemployed they were classified as secondary citizens when applying for communal relief work, while they had better opportunities to get employment in the public projects.

Actually the aliens constituted two distinct groups: Firstly, those with homes registered outside Reykjavík and temporarily employed in the town; and secondly, those who actually had settled and worked in Reykjavík, nevertheless still not having achieved the right to communal support (framfærsluréttur, sveitfesti). This right required 10 years of permanent dwelling until 1923 when this period was reduced to 4 years, and later to 2 years in 1932.(86) The hostility of the conservative majority in the town council towards the second group was astonishing; the commune authorities had "no obligations" to help this people, to support them or provide relief work.(87) It did not cross their minds that some of these "intruders" paid communal taxes in Reykjavík. In the workers' press many were to show indignation in the face of this injustice. Moreover, there were many others who suffered by this nonchalance.

Table 8.4. is based on unemployment registrations performed by the social democrats in the years 1922-26. The final preparations were, however, mainly the works of the authorities which used their apparently crude methods to discredit and throw into doubt the acuteness of the unemployment problem. Whatever their critical value and exactness the reports show a high proportion of classified "non-townsmen" among the unemployed in Reykjavík.

Table 8.4. The registered unemployment in Reykjavík, 1922-1926; non-townsmen vs. in-towners.

Year	Month	Non-townsmen %	Townsmen %
1922	December	42.3	57.7
1923	December	49.8	50.2
1926	Sept.& Nov.	43.7	56.3

Source: The Reykjavík Archives: "Atvinnubótavinna 1917-1932", Aðf.nr 3347; The protocols of the Unemployment Committee (Fundargerðabók Atvinnuleysisnefndar), aðf.nr. 268.

On these three occasions the ratio of non-townsmen was approximately 42-50% of the unemployed and registered. How this division affected the prospects of labour is hard to tell. Nevertheless they were excluded from the communal relief work in Reykjavík - mostly. Their situation must have been precarious in several ways. The housing situation then was exceptionally bad, which hit the aliens harder than others. Although both groups were highly dependant on house tenancy owner-occupation was much rarer among the "non-towns-

men".(88) With house rent rapidly rising in spite of the price deflation during the 1920s the threat of unemployment became still more of a menace.

8.5. Summary and conclusions.

In this chapter the survey of social policy was focused on a selection of areas which concerned the working class primarily. It was noted that the pre-transitional social legislation mainly had to do with two large groups: Firstly, the non-working population, made up of the "outcasts", the paupers, orphans, old and weak, etc., and secondly, those of the workable population that oscillated between sustenance and pauperism. In the transition era this latter category exemplified the proletarianization process and the social effects of the specific "industrialization" process in Iceland. The study proceeded along two paths in order to illustrate changes in the scope of social policy. In Section 8.3. the selective character of social legislation was shown in cases when a group (ex. the old); a branch (fisheries and fishermen), or the previous framework of production relations (ex. work legislation) were set on test. It was argued that the prospects of social reforms must be related to social groups, or forces for and against; that working class initiative must be weighted against the existing factions of the bourgeois parties. This was done by demonstrating in brief the heterogeneity of the latter and by showing that considerations of capital's long-term gains made a part of the bourgeoisie more tolerant to social reforms, at least the inexpensive ones.

Unemployment policy was an issue which became ever more focused during World War I and throughout the inter-war period. While statistical documentation is deficient the available sources show a low-season unemployment rate of 9-13% in Reykjavík in the 1920s while in the 1930s it culminated in street riots in November 1932, when approximately 22% of the workers in the town were without jobs.

The first direct responses of the commune and state authorities to the unemployment problem - i.e. if they responded - were outdoor relief work during slack season. These efforts were sometimes preceded by the unemployment registrations mentioned but then only after careful selections of applicants; for communal works in particular. The priority of townsmen vis à vis non-townsmen to relief work in Reykjavík is discussed with regard to the rapid urbanization in the 1920s and the measures to control the supplies of labour in accordance with this division. In the 1930s the unemployment situation got worse with permanent unemployment being added to the seasonal. Relief work still prevailed and was extended, whereas the paragraphs on unemployment insurance in the Social Insurance Act of 1936 remained a dead letter in the period of examination.

Notes to Chapter 8.

1. Félagsmál á Íslandi; Alþingi og félagsmálin. Also, but less well known is *Alþýðutryggingar á Íslandi* (1945).
2. This distinction refers somewhat to that of I. Gough which defines social policy as: "the use of state power to modify the reproduction of labour power and to maintain the non-working population in capitalist societies." I. Gough: *The political economy of the welfare state*, p 26.
3. Þorkell Bjarnason: "Um fátækraframsælsu." in *Andvari* (1897), p 72ff. The author remarks that the system of sustenance of relatives was abolished in 1810, op. cit., p 82.
4. In the 19th century till 1880 "no revolutions in the social sense occurred in Iceland. Only a few signs of breaches in the farming society were perceived, but the great change did not occur until the turn of the century." Sverrir Kristjánsson: "Jón Sigurðsson - baksíð og barátta." in *Réttur* 1:1966, p 16.
5. *Alþingistíðindi* 1923 A, 62; C, 5.
6. *Stjórnartíðindi* 1893 C, p 1ff; *Stj.tíð.* 1890 A, p 111-14; *Stj.tð.* 1892 B, p 95-6; *Stj.tíð.* 1894 B, p 177-8; *Stj.tíð.* 1896 B, p 188-9, 222-3; *Stj.tð.* 1897 A, 136.
7. Þorsteinn Þorsteinsson: "Alþýðutryggingar." in *Andvari* (1917), p 63.
8. Including the farmers' children (older than 20) at home, but exempting those who were extremely poor or reared children (Paragraph 2). *Stj.tíð.* 1890 A, p 112-14; Also *Stj.tíð.* 1897 A, p 136, 138.
9. Þorsteinn Þorsteinsson: op. cit., p 64.
10. Gísli Ág. Gunnlaugsson: "Millipínganefndin í fátækramálum 1902-1905, þróun framfærslumála 1870-1907." in *Saga* XVI (1978), p 74-150, passim.
11. *Alþingistíðindi* 1929, C, 229. According to *Árbók Tryggingarstofnunar ríkisins* 1936-1939 (p 14; ditto 1940, p 52). The average old-age pensions in 1911 were 28 krónur per client, 51 krónur in 1935, and 276 krónur in 1940.
12. Gísli Ág. Gunnlaugsson: *Ómagar og utangarðsfólk*, p 156-9.
13. Ibid. The statistics for the 1930s are printed in *Árbók Reykjavíkurbæjar* 1940, p 34; *Árb. Rvb.* 1945, p 46; *Árb. Rvb.* 1950-51, p 51. See also L. Pálsson: "Atvinnuleysið í Reykjavík." in *Ingólfur* 21/1 1910 p 10-11.
14. *Alþ.tíð.* 1887, A, 547; B, 787-804, 1013-16; C, 165, 424; *Stj.tíð.* 1888, A, 2, 4. (Lögg Nr. 1., 12/1 1888).
15. *Alþ.tíð.* 1924, B, 1077-8 (Jón Baldvinsson); Oddur Sigurgeirsson: *Verkamenn og sjómenn*, (1923), p 6f.
16. Sögusafn verkafélagsreyfingarinnar (The Trades Union Movement Historical Society): "Skýrsla um 10 ára starfsemi styrktarsjóðs Verkamanna- og sjómannafélaganna í Reykjavík, 1921-1930."; *Alþýðublaðið* 25/6 1920; *Dagsbrún* 17/3 and 12/4 1919; *Alþ.tíð.* 1925, B, 497-8.
17. The minutes of Verkamannafélagið *Dagsbrún* 1906-17 (*Gjörðabók Dagsbrúnar*) 22/12 1917.
18. *Almannatryggingar á Íslandi*, (1945), p 222. These figures were not available for earlier periods.
19. Guðmundur Björnsson: "Mannskaðar á Íslandi." in *Lögrétta* 10/4 1912.
20. *Alþ.tíð.* 1903 A, 772-90; B, 1268-75.

21. Alþingi og félagsmálin, p 58-68; Friðgeir Björnsson: "Slysatrygging sjómanna." in Samvinnan (1928), p 290-305; Halldór Stefánsson: "Um slysatryggingar." in Andvari (1932), p 61-68.
22. Ægir (june) 1912, p 69-71.
23. Ibid. This enlargement of crews on the Reykjavík fleet at least is demonstrated in Chapter 5 and Appendix D.
24. Based on informations in Stjórnartíðindi 1878-97, A and C; Landshagsskýrslur fyrir Ísland 1898-1912.
25. Friðgeir Björnsson: "Slysatrygging sjómanna." in Samvinnan (1928), p 290-305.
26. Ibid.
27. Alþýðuflokkurinn (1917), p 16-17.
28. Alþýðublaðið 27/11 1919. In Alþingi this principle was presented by Jón Baldvinsson in 1921, (Alþ.tíð. 1921, A, 485 (p 1201-2), and Alþ.tíð. 1923, D, 98.
29. The act from 19/5 1930; see Árbók Tryggingarstofnunar ríkisins 1936-39, p 4; also Halldór Stefánsson: "Um slysatryggingar." in Andvari (1932), p 67.
30. Alþ.tíð. 1925, A, 100; B, 2498-2599.
31. Alþ.tíð. 1925, B, 2517, 2525, 2547, 2572-4.
32. Alþýðutryggingar á Íslandi og í nokkrum öðrum löndum", (Jón Blöndal), p 13.
33. Ibid; Árbók Tryggingastofnunar ríkisins 1941, p 23; ditto 1940, p 34. These estimations are very rough.
34. Búalög um verðlag og allskonar venjur í viðskiptum og búskap á Íslandi (Rvk. 1915-33).
35. See an interesting article concerning the English case, by E.P.Thompson: "Time, work-discipline, and industrial capitalism.", in M.W.Flinn/T.C.Smout (eds.): Essays in social history, p 39-77.
36. Lovsamling for Island, vol. 2 (Húsagaskipunin 3/6 1746), p 605-620; Lovs. f. Isl., vol 3 (Um skyldur sjómanna 28/2 1758), p 291-95; Lovs. f. Isl., vol. 19 (Vinnuhjálöggjöfin 26/1 1866), p 383-405.
37. Alþ.tíð. 1928, B, 3418.
38. Alþ.tíð. 1921, see especially the speeches of Jón Þorláksson who was one of the main opponents of the bill; B, 1886-88, 1920, 1925.
39. Alþ.tíð. 1921, B, 1947, 1953.
40. Alþ.tíð. 1921, B, 1946. This skipper was Guðmundur Jónsson on the trawler "Skallagrímur". In spite of the short hours of rest (4 hours!) he was "appraised" by at least two deckhands; see Alþýðublaðið 26/3 1921, and Ólafur R. Einarsson in an interview; see Vilhjálmur S. Vilhjálmsson: Við sem byggðum þessa borg II, p 110. It was added that one or two other skippers did this too. Ibid.
41. Jónas Jónsson: "Nýr landmálagrundvöllur.", in Réttur (1918), p 23-33; also by the same author: "Framsóknarstefnan.", in Eimreiðin (1926), p 105, 113-14.
42. Jónas Jónsson (in Tíminn 7/8 1919), quoted in Alþýðublaðið 9/8 1919. For a comment about the struggle in 1921 see Alþ.tíð. 1928, B, 3418 (Jón Baldvinsson). The propaganda committee of Dagsbrún stated that the act of 1921 was supported by "'capital" ... because they made a profit on it." (Alþ.blaðið 11/3 1926). See a similar view of Jónas Jónasson in "Framsóknarstefnan." in Eimreiðin (1926), p 114.

43. See note 41. In terms of the general principles of labour legislation the speech of Ásgeir Ásgeirsson in 1928 is of interest. *Alp.tíð.* 1928, B, 3371-5.
44. *Verkamannablað* 12/7 1913; *Dagsbrún* 17/7, 7/8, 9/10 1915 and 3/5 1919; also many articles in August 1919.
45. The minutes of *Dagsbrún* 1913-1926 (*Stjórnarfundabók Dagsbrúnar*), June 1919.
46. *Alp.tíð.* 1919, A, 544 (p 1179-80); 1926, A, 36; B, 1791-1821.
47. *Afmælisrit hins íslenska prentarafélags* (1922); Klemens Jónsson: 400 ára saga prentlistarinnar á Íslandi, p 196-98; *Hið íslenska prentarafélag 40 ára 1897-1937. Afmælisblað Prentarans*, p 48 f.
48. *Alp.tíð.* 1927, C, 80; *Alp.tíð.* 1928, C, 294, 300.
49. *Alp.tíð.* 1927, A, 5 (p 35).
50. *Alp.tíð.* 1889, C, 110.
51. Einar Jónsson: *Fimmtíu ára Minningarrit Sjömannaskólans í Reykjavík 1891-1941*, p 43-94.
52. *Ibid.*, p 170; also Sigurjón Kristjánsson: "*Véltjórufélag Íslands 20 ára.*" in *Ársrit Véltjórufélags Íslands* (1929), p 5-6.
53. Gils Guðmundsson: *Geir Zoëga kaupmaður og útgerðarmaður* (*Íslenskir athafnamenn I*), p 110ff; Ásgeir Jakobsson: *Kastað í Flóanum*, p 148-51, 162, 176-7, 190.
54. See the main content of the party program in Chapter 9.
55. *Alp.tíð.* 1925, A, 420 (p 811-12).
56. *Alp.tíð.* 1925, A, 420 (p 812-14).
57. *Alp.tíð.* 1925, A, 563 (p 1039-41).
58. *Álit vinnulöggjafarnefndar, ásamt frumvarpi um stéttafélög og vinnudeilur.* (1938), p 72.
59. *Alp.tíð.* 1929, A, 269; C, 958-1263, especially C, 1235.
60. *Alp.tíð.* 1936, B, 1596 (M.T.).
61. See the remarks of Jón Baldvinsson in *Alp.tíð.* 1923, D, 448. The date of the first registration (1920) is either a misprint or a slip of tongue.
62. *Borgarskjalasafn* (The Reykjavík Archives): "*Gjörðabók Atvinnuleysisnefndar 1921-1926.*" (The minutes of the Unemployment Committee in Reykjavík). Aðf.nr. 268
63. The accounts are described in detail by Ólafur R. Einarsson and Einar Karl Haraldsson in: *Gúttóslagurinn 9. nóvember.*
64. Many of the accounts were published in the printers' magazine: *Prentarinn.*
65. Sigurður Sigurðsson: "*Ráðningarskrifstofa.*", in *Búnaðarrit* 1920, p 189ff.
66. *Ibid.*; also *Alþýðublaðið* (eldra) 4/3 1906.
67. See a very negative comment about the utility of labour offices during the *Alþingi*-discussions in 1918: *Alp.tíð.* 1918, C, 225. Still then, it was the personal contact which predominated, according to the speakers.
68. See for example a quest of the major of Reykjavík to the directing boards of the two main banks, *Íslandsbanki* and *Landsbanki Íslands*, in a letter dated 5/9 1921. *Borgarskjalasafn* (The Reykjavík Archives): "*Atvinnubætur 1917-32.*" Aðf.nr. 3347.
69. *Gjörðabók Dagsbrúnar* 1905-1917 (The minutes of *Dagsbrún*) 24/10 and 11/12 1910; 26/2, 12/3, 23/4, and 1/12 1912.
70. *Dagsbrún* 22/8 1915; 20/4 1918; *Alp.tíð.* 1917 A, 335-6 (p 579-581); B, 1477-1562; *Alp.tíð.* 1918, A, 145 (p 209-11); C, 209-275.
71. *Alp.tíð.* 1918, C, 217-18.

72. Dagsbrún 20/4 1918; Sigurður Sigurðsson: op. cit., p 190. It was also noted that during the winter 1917-18 a "labour exchange" was installed to provide work for those who were in greatest need for relief. The informations are, however, scanty. *Alþ.tíð.* 1918, C, 222-23. (Sigurður Eggerz).
73. *Alþýðublaðið* 2/3 1920.
74. *Ibid.*
75. *Alþ.tíð.* 1923, D 447-51; *Alþ.tíð.* 1927, A, 25, C, 1144-5.
76. *Alþ.tíð.* 1924, B, 1005-6; *Alþýðublaðið* 1/11 1922.
77. *Alþ.tíð.* 1935, B, 1550, 1592.
78. Magnús Jónsson: "Almannatrygging." (1926), p 13-18, 65-7.
79. Þingtíðindi ASÍ (Federation of Labour), 13th congress 1936, p 76; *Alþ.tíð* 1931 (Vetrarþing), A, 90, p 451.
80. *Alþ.tíð.* 1928, A 201, p 405.
81. "Löög um Almannatryggingar." (1936), paragraph 72.
82. *Alþ.tíð.* 1935, A 405 (esp. p 635-7, 663), B, 1539-1695.
83. Árbók Tryggingarstofnunar ríkisins 1936-39, p 39.
84. Fundagerðabók Sjömannafélags Reykjavíkur 1922-1929 (The minutes of the Seamens' Union), 15/7 1925.
85. Borgarskjalasafn (The Reykjavík Archives): "Atvinnubætur 1917-32, Aðf. nr, 3347; *Alþýðublaðið* 16/1 and 14/3 1922, 5/1 1924; *Alþ.tíð.* 1927, D, 30; Oddur Sigurgeirsson: Verkamenn og sjómenn." (1923), p 13.
86. *Alþ.tíð.* 1923, A, 570 (p 962-3); B, 1728-96; Félagsmál á Íslandi, p 158.
87. A report signed 21/12 1922: see Borgarskjalasafn: "Atvinnubætur 1917-32." Aðf.nr. 3347; *Alþýðublaðið* 24/1 1924.
88. See note 62 (Gjörðabók Atvinnuleysisnefndar 1921-1926).

Chapter 9

THE RISE OF THE LABOUR MOVEMENT UNTIL THE 1930s

"The materialist doctrine concerning the changing of circumstances and upbringing forgets that circumstances are changed by men and that it is essential to educate the educator himself." (K. Marx: Theses on Feuerbach)

9.1. Introduction.

In this chapter we deal with the growth of the labour movement in the transitional era from the 1880s until the 1930s. There are however some conditions, which require explanations. This is not a complete account of the labour movement in Reykjavík. It deals primarily with some of the focal points which concerned the interplay between phases of economic and social development through the transitional process in Iceland and the varied forms of class consciousness and corresponding working class organizations to meet the consequences of such a transition. The questions which are of major importance are centred around the changing role of organization of the early labour movement as a response to the vital needs of the working people.

That the capitalist mode of production created implications for working class organizations as such is an old truism. But the emphasis on factors which affected the relative strength of the workers vis à vis the capitalist class is more problematic. In the former case we have already dealt with various aspects of these mechanisms; first of all related to the fishing industry as a focal point. Although this chapter deals primarily with changes in the organization of the working class it is the intention here to integrate this analysis within the former perspective. Firstly, an attempt is made to relate some major problems in this chapter with the accumulation of capital and changes in the labour process and thereof the utilization and supply of labour, and secondly, to study factors which were associated with changing patterns of organization of labour.

The decisive period in this respect stretches between 1894 and 1938 although we begin already in 1875. This period happened to be

the most dramatic era in the economic and social history of Iceland. It began with a labour movement in complete infancy but had at the end of the period generated the essential features which a modern labour movement could expect at this stage; The Federation of Labour, The Social Democratic Party and The Communist Party; a de facto recognition of the trade unions as a bargaining partner in labour disputes, and a fairly high membership rate of workers within the trade unions. In this respect Reykjavík was the main centre although there were some important places elsewhere, such as Seyðisfjörður, Akureyri, Siglufjörður and Vestmannaeyjar.

Although all periodization is somewhat arbitrary it is appropriate to present a framework which might highlight the major phases of the labour movement.

1. Prior to the early 1910s the monotonic economic structure gave rise to few and often short-lived combinations of artisans mainly, but also of fishermen and day-workers. The early labour movement was apparently weak, with great difficulties in maintaining genuine interest organizations, irrespectively of good intentions and a fairly high rate of membership. In this era both the union of dayworkers (Dagsbrún) and the Deck-hands' Union (Báran) suited the purposes of amiable societies with a broad range of interests which only partly emphasized wage bargaining. It was more the civilization of the labourer rather than the sale of his labour power which was of primary concern. In this experimental period the main questions are centred around two issues: Firstly, the establishment of the labour market (wage bargaining and the length of the working day as typical examples), and secondly the social aspects of early capitalism; problems of proletarian identity, such as social involvement, political participation, casual work and underemployment, insurance and sickness benefits, etc.

2. The period which followed, ca. 1913/16 to 1930, witnessed a great upturn in economic activities with the fishing sector as the spearhead of technological advance, especially in the 1920s. Accompanied with these changes the labour movement gained stability and no doubt strengthened its position in many fields. Another important feature was the instability of prices since 1914 which enforced the unions to fight against deteriorating real wages. The awareness of the human conditions in society rose markedly. The questions which arise concern the proper mechanisms behind the general consolidation of the labour movement and a more deeply rooted class-consciousness among the workers than previously.

3. The 1930s highlight the interdependency of changes in the economic structure and the occurrence of a broadened but split labour movement. Was the breakthrough of various small-scale (protected) industries mostly responsible for the growth of many but tiny labour unions, or did it express the political antagonisms between social democrats and communists? It goes without saying that the political

development in the 1930s politized both the new and the prevailing labour unions. Some believe that the trade unions became instrumental in gathering the diversified factions of workers under the banner of either of the workers' parties. Irrespective of motivations, whether due to political rivalry or profound social and economic changes this period was characterized by an extension of the labour movement and it was to play a significant role in the history of this period.

9.2. From philanthropy to sobriety. The early experiences of the popular societies.

It may sound curious that things like religious concern, frugality, sobriety and self-control are said to have occupied the minds of people among the poorer sections more than trade unions and social revolutions. This was particularly actual during the early stages of modernization. How this actually developed depended on a set of circumstances which varied by countries, regions, social groupings, etc. S.Lundkvist, in a Swedish study, draws parallels between the industrialization process and the growth of some popular movements by stressing that the function of such movements in the industrialization process was of vital importance for canalizing the loss of traditional values and the search of groups for social identity, and that they served as protest movements.(1)

In English history Methodism has been a subject of long debate among historians. The supposed dual role of this religious movement as being positive and negative for the masses has furthermore constituted a point of reference. The core of this controversy is the question whether methodism contained "politically regressive" influence which prevented revolution in the period 1789-1848, or if methodism "was indirectly responsible for a growth in the self-confidence and capacity for organization of working people." (2)

E.P.Thompson's thesis is as follows: although the working people took part in movements which brought to their souls a feeling of self-satisfaction and tolerance in an evil world, the participation, the common rituals, the sectarianism in religious matters - these things and many more brought to the herd a moment of group-feeling through direct participation in the flock.(3)

The aim here is to study the first forms of organizations in which the "common people" in Reykjavík were activated for the first time. This means that we enter an era in which the working people played the second fiddle in cultural events supposed to be theirs. In other words, persons outside the working classes did something for them whether it was intended to benefit other classes or not.

This was in most cases a mixture of entertainment, religious upbringing and moral education of bourgeois values. This "phil-

anthropic" role of the various bourgeois elements was widespread in the European countries which were in the stage of industrialization where the labouring poor in most cases were deprived of previous cultural background and values. Customarily this was a socialization process in which groups within the bourgeoisie made efforts to stamp their cultural values and heritage on the uneducated masses. Of course, this educational process sometimes took unexpected turns where the ordinary people more or less took their own fate into their hands, expressing their feelings and thoughts more or less openly, later to be materialized in independent organizations.

Although the printers in Reykjavík were the first occupational group to combine (in 1887; see section 9.3.) it is evident that the main stimulus of social activities among the working people was derived from the fishermen. Each season a part of the fishermen arrived from other districts to Reykjavík and Gullbringusýsla. The majority of these men were aged between 20 and 35, many of them unmarried with no permanent place of residence in many cases living in the house of the shipowner. Strangers as they were the fishermen were usually rootless when not at sea. Drunkenness and "idleness" (or "laziness") in the small fishing towns was a familiar scene and considered as a potential threat to the expanding fishing towns and growing capitalist fishing industry in Iceland. We must keep in mind that the question of the domestic servants and of a market of free labour power was principally an unsettled issue until 1893.(4) In the 19th century the supposed bad behaviour of folks in the fishing villages and towns was an excellent argument for the landed aristocracy and their representatives in the National Assembly against the efforts towards the liberation of labour.

We can at length speculate about the sources of the ideas brought to the seamen and workers in the 19th century Iceland (see a short discussion later on); how these ideas were introduced, by whom, from where and how long lasting these ideas were. But, for the main argument here we name only the two most important social and intellectual occasions which concerned the working classes in Reykjavík before the unionization period. These occasions were the foundation of the Seamen's Club (Sjómannaklúbburinn) in 1875, and the Good-Templar movement or (IOGT), established in 1885 (1884 in Akureyri).

The Seamen's Club had many of the characteristics which a typical philanthropic society possessed; the leaders were of liberal bourgeois stand; some non-conformists not on particularly good terms with the traditional ruling elite stationed in Reykjavík. The main task was to encourage self-education and decent social spirit of both fishermen and workers, whether townsmen or migrating labourers.(5) Sobriety and self-control was the ABC in the club. It did not introduce any values necessary for union building based on a particular occupation nor any general ideas of demanding from the

employers better wages and improved conditions of work, etc. The Seamen's Club was not a society of confrontation, but of social harmony, although not pleasing everyone in the higher ranks in the town. The organizers formed a board of directors, a self-preserving one, which meant that they could not be replaced from outside, neither by the members or others. The activities in the club were lively at the beginning, especially from November 1875 to March 1876. Entertainment was a popular leisure, but the organizers were more concerned with the serious issues of lecturing, reading newspapers and magazines, teaching writing, geography, Icelandic history, mathematics, etc. Within the club the worship of Bacchus was prohibited under all circumstances and the concern for a decent mode of living of the members was high.(6)

The most hotly debated issue under the auspices of the club concerned the religious life in Reykjavík. The growing religious schism in Iceland during the late 19th century suggest that the search for an identity of the various social groupings could at least start within the realm of God, who at a later stage could be left on his own - as the class consciousness of the workers and fishermen and other occupational groups developed.

The good participation in the song and prayers ceremonies on Sunday afternoons became an excellent forum for the "liberal dissenters", if they may be labelled in that way. The fine men of the clerical establishment in Reykjavík and the national protestant church (the conformists) made various efforts to discredit these ceremonies in the Seamen's Club, but some of the theological students in Reykjavík did attend and preach God's word in their own way. Some of these men later on became leading figures in a movement against the orthodox church resulting in an organizational schism in Reykjavík (The Free-church founded in 1899) and previously on the east coast in the early 1880s. Pastor Lárus Halldórsson was involved in all these three cases. He, and some others were labelled as rebels by the clerical establishment which was witnessing a diminishing authority over its souls.(7)

We must not forget that behind this veil of religious dispute there echoed a dissatisfaction which connects the Seamen's Club of 1875 with the later theological rebellions in Reykjavík. The social backbone of this movement of dissentry in the late 19th century was in both cases the working people in Reykjavík, the seamen, the workers and the craftsmen. In 1910 they made up about 80% of the Free-church congregation.(8). In both these cases the flock sat on the benches and watched the spectacle of their leaders. By then the labour union of unskilled workers in Reykjavík, Dagsbrún (founded in 1906), was still in its infancy.

The Seamen's Club did not last long; only 2-2½ years. The main reason that it did not last longer was - as told by its main historian - the hardships in Reykjavík during the winter 1876-7.(9) The club

was in blooming activity only during the slack season in the dark months between November and March with a long interruption when the economic life was in full swing. Therefore, the social life of the workers and the fishermen was clearly lacking in continuity. It had to be started all over again when the fishing vessels and boats were mostly idle, in October or November to February. The fishermen themselves were at this time relying completely on the "good will" of others as concerned quarters and other facilities. Hence, the early efforts of the first deck-hands' union, Báran, to achieve independency by building its own quarter in the late 1890s.

If we call the Seamens' Club a society containing a socially determined hierarchy, the Good-Templars (IOGT) were more like a movement. Although based on a hierarchy it offered its members an opportunity of self-activation and direct participation since it was democratic, and it offered the females a rare opportunity to participate. In the early history of the labour movement the Good-Templars have gained an excellent reputation because of the direct links to the early union founders who copied the organizational structure. Many workers were members in both organizations concurrently (i.e. IOGT and Báran).

The first Good-Templar society was founded in Akureyri, in 1884, and the year after the movement gained ground in Reykjavík. Many writers have emphasized the significance of the Good-Templars for the foundation and development of the early labour unions; especially Báran.(10) The workings learned to participate in an organized manner among their fellows, disciplined and without Bacchus, living according to the ethical codes of christianity based on brotherhood, justice and peace among individuals and nations.(11)

Although based on christianity the Good-Templars were not headed by the clergy, but by "craftsmen and civil servants". The organization gained, however, a widespread support from the majority of the clergy.(12) The number of the members varied in opposition to their achievements on the legal plane. The IOGT gained in strength until 1908-15 before the sale of spirits was banned and thereafter the membership size swayed to and fro. From 540 in 1886 the Good-Templars had about 4000 members at the turn of this century.(13) In Sweden the growth and development of the sobriety movement was almost identical to the Icelandic experience between 1880 and 1920 as regards both tendencies and timing.(14)

9.3. The Printers' union.

Prior to 1877 there was only one printing shop in Reykjavík. For a short time in the 1880s there were three, but they changed hands quickly. This branch was one of the few which emerged as a craft based on capitalist principles; not between masters and their skilled

employees, but the owners of the printing shops (newspaper editors and not skilled in the craft) and those employed (journeymen, apprentices female assistants, etc.). In the beginning the printing shops were an unsafe place of work for the journeymen. An important source of unrest among skilled printers was the repeated practice of the owners to abuse the (cheap) apprentices by throwing them out for new ones when they had achieved the status of journeymen. Frequently the skilled labourers had to apply for jobs elsewhere, especially during low season.(15)

In 1887-90 the printers had a loose organization which was the first of its kind in Iceland. Already in 1886 they circulated a handwritten magazine where their issues of concern were discussed. The Printers' Union expressed foremost the need for a cultural partnership but also a concern for their position in their craft. Externally the union did not adhere to confrontation nor did it achieve much in concrete results. It was only active till 1890 when many of the leaders had left the country, either to N-America or Copenhagen.(16) The basis for existence of such a combination was seemingly too narrow at this stage and the printers too few.

A new situation was faced after 1896 when new and mainly small printing shops were established. The questions of regulation in the workplaces were again highlighted in the critical part the apprentices played. In 1897 the Icelandic Printers' Union was founded with only twelve original members. It is the oldest permanently active labour union today. The printers demanded restrictions to secure their occupation and performed in 1899 a successful one-day strike against one employer who then accepted the main terms.(17) This was probably the first strike in Iceland.(18) The other major issue of this new union was to establish a sickness fund, which in turn fostered a number of other funds within the union, such as an unemployment fund in 1900.(19) In both cases a great stimulus came from experience which the printers gained abroad, mainly in Denmark.

The printing industry in Iceland was always concentrated to a few main printing shops, besides smaller shops in Reykjavík employing a minority of typographers. Due to this concentration and the requirements of skills for entering the union the printers constituted a fairly coherent and homogenous interest organization by Icelandic standards. The membership rate was in 1920 almost 100% and the union gained reputation in 1906 as the first legitimate partner in wage-bargainings which a few years later included the bulk of employers in the branch in Reykjavík.(20)

In spite of its smallness (82 members in 1924 and 164 in 1940 (21)) the Printers' Union was in many ways a prototype for other unions besides what has already been accounted for. In 1920 it was the first to achieve an 8 hours working-day, from 9 hours in 1908.(22) The printers were also a pioneering group in the dis-

cussions of wage-scales which were so actual in the 1920s. They and their counterparts were mainly in focus in the conflicts which fostered the official cost-of-living index in 1922-3.(23) The early recognition of the printers was without doubt a factor which promoted the institutionalization process on the labour market. The relative concentration and the foundation of the employers' association in the branch supported these tendencies. The breakthrough in relations on the labour market in general naturally relied on the development of the main unions.

9.4. The Deck-hands' Union, "Báran".

The contact between the Good-Templars and the early labour movement was most obvious in the case of "Báran", the first union of deck-hands in Iceland, founded in 1894. The first chairman was a hand-picked IOGT-member, mainly chosen because of his experience there. He knew how societies were structured and run and Báran became more or less a copy of its forerunner. This chairman, Jón Jónsson, was also educated in a grammar-school, which was a great merit in these times. Also, at later stages of the labour movement some other "educated" friends of the commons entered the labour movement, quite often as natural leaders, not directly involved in the trade of the ordinary union members. It could be of great help to have such "economically" independent leaders, who were not in direct economic/personal confrontation with any employer. But this kind of leadership was also to prove to be a great Achilles heel within the labour movement in its efforts to be freed from socially alien elements foreign to the members' own trade and occupation.

The promoters of Báran were two young students of The College of Navigation in Reykjavík (Sjómannaskólinn í Reykjavík) and they both seem to have been members of the Good-Templars although not as active as the first chairman of Báran. The information available here is unfortunately contradictory.(24)

The foundation of the first seamen's union in Iceland, "Sjómannafélagið Báran" (14th Nov. 1894) coincided with the expansive era of fishing industry based on decked sail vessels in Reykjavík and its neighbourhood. It coincided also with the first efforts of the ship owners to organize and promote their branch through an interest organization, an insurance company, reorientation of banking policy to the advantage of the shipowners, and propagation of a more favourable climate within the National Assembly towards fishing as a profession and a source of capitalist profit. Typically in 1893-4 the old acts which prohibited unauthorized settlement of labourers were practically abolished (although admittedly they had been somewhat ineffective in the preceding decades).

The boom within the fishing industry in the 1890s is indicated by the growth of the fishing fleet - in Reykjavík alone from 13 vessels in 1893 to 18 in 1895 and 30 vessels in 1897 while the number of ordinary deck-hands (hásetar) on these vessels increased in respective years from 137 to 213, resp. 415.(25)

The first group of seamen to organize formally were the skippers and mates (Skipstjórafélagið Aldan) in Oktober 1893. The founders were 24 (26) and in 1906 the members were 105.(27) The aim with this organization, or rather society, was to bridge the gap of "enforced employment" between October and February through entertainment and discussions on diverse issues concerning the members' occupation besides general discussions on social matters.(28) The supporting fund was also to be strengthened.(29) Sometimes "Aldan" played the role of a conciliator between the deck-hands and the employers (the ship owners) during interest disputes, the first incidence occurring already during the winter 1894-5.(30)

The most obvious reason for the foundation of The Deck-hands' Union (31), Báran, was the newly founded shipowners' organisation in the Faxa-bay area, The Ship Owners' Association (Útgerðarmannafélagið við Faxaflóa). This society was foremost aimed against the then unorganized deck-hands on the sail vessels fleet as it unilaterally announced new and reduced wage rates. Besides the lack of organization among the ranks of ordinary fishermen the temporarily low export prices of the fish products in the early 1890s were a stimulating factor to reduce the wages. Of course, we can speculate why this increased activity of the ship owners began just then. For one thing the fisheries on the decked sail vessels in the 1890s became a booming business in the Faxa-bay area, which in its turn demanded some new facilities, indispensable for this business; a financial network, harbour facilities, liberal labour legislation and an updating of the general prescriptions and laws concerning ocean navigation and fishing. In this respect the early 1890s were a path breaking period for the rising class of capitalists in the fishery branch.

The Navigation Act of 1890 (siglingalög) was almost an exact copy of the Danish laws on the same issues, which prescribed the rights and duties of the crew members. This act did not pass through the National Assembly without some protests from the ship owners (the deck-hands were still without a voice of their own) because they did not like some of the clauses which benefitted the deck-hands.(32) On the whole, however, the captain was the undisputed boss.

The first bank in Iceland was the National Bank of Iceland (Landsbanki Íslands), founded in 1885. When the exponent figure within the fishing branch, Tryggvi Gunnarsson, became the bank director in 1893 the loans to investments in decked sail vessels rose considerably, also thanks to the good-will of the National Assembly. This reorientation towards this expanding capitalist sector did not

meet with approval from the farmers, who were in great need of cheap capital.(33)

Other events here were the foundation of The College of Navigation in Reykjavík (Stýrimannaskólinn í Reykjavík), 1891 (34), and The Insurance Fund of the Decked Vessels Owners in Faxa-bay (Þilskipaábyrgðarfélagið við Faxaflóa), established in 1894.(35) The foundation of various organizations of the fish vessel owners in the early 1890s indicated only the beginning of a rationalized fishing industry in the coming decades. This was the real starting process of a particular industrial branch which in the case of Icelandic economic history was the leading one. It paved the way for other branches to expand, whether highly related to the fishing industry or not.

The Deck-hands' Union (Báran) in Reykjavík was not a typical trade union in the usual sense of the term. Against the demands of the Ship Owners' Association the members of Báran wished to preserve the customary wage terms through bargaining, with the only major "original" idea of receiving a larger share of the wages in cash rather than in natura, i.e. a struggle against the old truck system.(36) Many of the ship owners were moreover merchants and paid their crews in goods from their own stores instead of money. Usually the fishermen received about 1/3 of their income in money, the rest in natura. This apparently varied according to the (pseudo-)contracts signed in the crew lists.(37) The struggle which started in 1893 for a legal abolition of the truck system was brought to an end in 1901. Payments in money were from then on obligatory - outside the farming sector.(38) However, it took a long time to put this law perfectly into practice.

The Deck-hands' Union resembled a society, embracing the major issues which concerned the well-being of the fishermen in general, at a stage when the labourers had not yet gained a high level of class consciousness although it was in progress. The foundation of successful independent political organs of the workers were still over 20 years ahead and the first genuine working class paper was first published in 1906 - and lasted for 16 months. The union was first of all a meeting point, organized by the fishermen themselves - a clear sign of independent action (separatism) in contrast to The Seamen's Club two decades earlier. When Báran was formed drinking was still a grotesque habit among the fishermen. Typically Báran was founded in a publichouse (called 'Geysir') in Reykjavík by some 30 members, not all of them sober - which has been kept undercover by repeating the old legend of the deck-hands who after the meeting marched through the streets of Reykjavík singing a "rebel" song by a well known Icelandic poet.(39) That meetings in public houses were a practice abroad is well exemplified in the history of British trade unionism.(40)

The Deck-hands' Union was a society for self-education in which abstinence from alcohol was in progress among the fishermen. This self-civilizing aspect of "Báran" was an avenue for new and stimulating ideas of intellectuals who were invited to lecture at the (weekly) meetings during the winter.(41) Many of the lecturers were invited members of the Good-Templars which had considerable influence on the members, apart from the adopted organizational structure of the Deck-hands' Union already mentioned. Later, some of the members of Báran organized a seamen's temperance society in Reykjavík in full agreement with the main inspirator of the Good-Templar movement, which on the other hand inspired the foundation of new deck-hands' unions in the southwest corner of Iceland. The mission of the early labour movement in Iceland, from Reykjavík to the near-by fishing towns, was therefore correspondingly a mission of the Good-Templars movement among the fishermen and even workers stationed in Reykjavík.(42) This occurred primarily in the years 1903-5. The new deck-hands' unions were named Báran but each was given a number.

The Deck-hands' Union in Reykjavík, Báran no.1, with originally 30 members had gained some 60 members in december 1894 and ten years later about 260 were estimated as members in Reykjavík alone while about 600 in total belonged to the sections combined in southwest Iceland.(43) The sections were very loosely knit together, that is to say, they were decentralized almost to the point of absurdity, especially in Reykjavík. In 1905 a decision was taken in Báran no.1 to split the union into two independent organs - Báran no.7 was founded for some curious reasons which in retrospect must have been a failure. The minutes of this new union have been preserved in the National Archive, but those of Báran no.1 are lost. From the preserved minutes of Báran no.7 (which was mainly active in the years between 1906 and 1909 but was formally dissolved in 1910) we can deduce that the meetings were usually held once a week from mid October to mid February, or ca. 4 months. The number of those who paid the membership fees shows that the total number of the section members was ca. 90.(44)

The main subjects of discussions were the Relief Fund; the scanty participation of the members; the merchants and their almost conspiratorial fixation of fish prices against the interests of the fishermen (which usually got their payment as sharecroppers). Also they discussed the safety measures at sea which necessitated an increased number of lighthouses and measures aimed against defect inspection of the fishing vessels.

It is also interesting to witness how the fishermen responded to the newly achieved and extended political rights of the working masses showing a urgent need for a reorientation of the labour movement as a response to the political initiative of the bourgeoisie (especially in the elections to the town council in Reykjavik). Their

engagement for the interests of the working people implied that the fishermen grasped the need for an independent working class paper and not the least the necessity for co-ordinated activities of the then existing labour unions in Reykjavík combining in one organization a political party and a federation of labour. The minutes show how difficult these problems were to tackle and often quite frustrating, sometimes due to painful experience because of repeated manipulations from some bourgeois candidates.(45)

The meeting-records show furthermore how difficult it was to take definite actions which directly concerned the immediate interests of the workers and the fishermen. The low level of consciousness made wage bargaining an unsettled issue, often left to the merciless law of supply and demand. It was apparently difficult to combine the strength of both Báran no.1 and no.7 when facing their employers. It was not a question of formulating precise demands, on the contrary, it was rather the rule that the fishermen waited patiently for the actions of the ship owners when they pleased.

It would be wrong to say that the two sections of Báran in Reykjavík did never hold meetings together, but it occurred on very rare occasions. In January 1908 and 1909, when the main season was to begin in the southwest of Iceland (winter-season) some lively meetings were held, not only for the members of both sections but also for the broader public - even the employers.(46) The discussions concerned usually the wage rate in combination with the price of the fish. On the other hand, decisions which necessitated a struggle with the employers were hard to vote for, and consequently a still harder task to fulfill. Strikes were rare in the pre-war period - at least among the fishermen.

In the ca. 15 years of experiment with unionization among the ranks of the fishermen in Reykjavík the institutionalization process in the sphere of the "labour market" was only slowly making a progress, from a compromise in the winter of 1894-5 to the first "wage contract" in 1902 (with, to say the least, indefinite results).(47) In this process we can hardly find a thread of continuity; as the contacts between the deck hands and the employers remained quite sporadic and informal through the lifetime of the Deck-hands' Union, 1894-1909. The informal labour market relations was the characteristic hallmark. The active role of the state did not begin until the 1920s although strikes of the civil servants had already been prohibited since 1915.(48)

The wage agreement of 1902 was not totally without significance. According to the crew lists in the 1890s the wages were not a result of wage bargaining nor common agreements; they differed - even on the same ship. Each fisherman had to make his own contract with the ship owner, the captain, or both. But, the concealed principle behind the wage contracts was that the fisherman should get an agreed portion of his catch (usually the cod) aboard. His income

was thus in the form of piece-wages while only a small group received monthly wages (usually the teenage cooks) or a mixture of both.(49)

With the wage agreement in 1902 the regular wage basis of the half catch value (hálfdrætti) seems to have been accepted by both parts which meant that the fishermen kept half of their catches while the ship owner retained the other half for paying his skipper for example besides other expenditures. For the sake of simplicity we mention only "in passing" that this wage agreement had not unimportant reservations concerning the expenses on fish processing, salt prices, etc.(50) The agreement was intended to be in effect for three years, and we have good reasons to assume that the ship owners prospered in the following years of rising fish prices.

Also - and this is not unimportant - the demand for labour power in the fisheries branch was great at the turn of the century when the number of fishing vessels increased rapidly in the Reykjavík-area.(51) The culmination was achieved in 1901 and 1905-6. Thereafter the expansion apparently came to an end, at least as regards the fishermen employed on the decked sail vessels. A new phase in the accumulation of capital in the fishing sector had by then begun, but with fundamental labour-saving devices as a result. On the other hand the production volume continued to increase in this branch hand in hand with the rising productivity of labour.

If we relate the number of fishermen in Reykjavík on vessels bigger than 12 tons to the population in Reykjavík in the period 1890-1914, we witness a rising significance of the fishermen up to 1901 (Figure 9.1.). The peak years in the fishing sector are also apparent in 1905-6, and around 1912 in the phase of booming pre-war trawling industry. The figure supports our argument that the life and strength of the Deck-hands' Union in Reykjavík can be divided into two main periods of growth and stagnation, the first period covering the years 1894-1902 when cohesion among fishermen remained stable, and the second period the years between 1902 and 1909, the last sign of activity of the union. This is certainly not a satisfactory explanation why the Fishermen's Union withered away. Such an explanation requires a detailed analysis which takes into account the restructuring of the fishing industry alongside the circumstances of fishermen. In other words we need a historical perspective to trace the relation between economic transformations (and fluctuations) and the strength and weakness of the labour movement. For the moment we shall deal with the earlier explanations why the Deck-hands' Union discontinued. The explanations do follow similar patterns indeed.

Figure 9.1. The percentage of fishermen on the Reykjavík vessels' fleet in comparison with the population in the town, 1891-1914.



Source: See Chapter 6.3. The population figures are taken from Helgi Skúli Kjartansson, in Saga (1978), table I.

According to Pétur G. Guðmundsson, an exponent figure within the early labour movement, there were three main reasons why the Deck-hands' Union did not last: 1. The mechanization of the fishing fleet in the early 1900s was a disruptive element which led to more variegated moments in the labour process. The immediate result was a reduction in the number of the decked sail vessels. 2. As a result of this shrinking fleet it was easier to argue that this business was unprofitable, which undermined the fighting spirit within the ranks of the fishermen - finally leading to resignation. Facing this chaotic situation the fishermen hesitated to take strong measures. 3. As a final explanation P.G.G. notes that the union ran into financial troubles since it was unable to pay the debts on the voluntarily built meeting-house. The atmosphere was depressed; the union lost its house and the last signs of *Báran* were marked in February 1909.(52)

Ottó N. Þorláksson, one of the two initiators of *Báran* in 1894 and later the first president of the Icelandic Federation of Labour (1916), counted four explanatory factors: 1. The rise of the working class in Reykjavík at the turn of this century was the soil on which the foundation in 1906 of the general union of unskilled male workers in Reykjavík (*Dagsbrún*) was based. The presence of this new union took members from the Deck-hands' Union, since many members of *Báran* saddled over to the new union. 2. A weather catastrophe in 1906 cost the lives of almost 70 fishermen in Faxa-bay of whom many had been active members of The Deck-hands' Union. 3. The financial troubles of the union; already noted by P.G.Guðmundsson. 4. The

organization of the union was outmoded because of the changed structure of the fishing fleet and consequently the changed composition of the fishermen themselves. This demanded a new organizational structure which could combine the fishermen effectively under new circumstances of production.(53)

One of the few Icelandic labour historians, Skúli Þórðarson, summarized on the 50th anniversary of The Reykjavík Seamen's Union the reasons for the downfall of the union: 1. People's attention was fixed to the prospects of Iceland's independence, especially after 1908. This absorbed even the minds of the common people to the disadvantage of the labour movement. 2. The mechanization in the fishing sector undermined it. 3. The financial troubles of the union contributed greatly. 4. In spite of the wage agreement in 1902 the difficulties of wage bargaining were caused by both internal and external factors; through the actions of some of the employers/ship-owners, and owing to the low consciousness of migrants seeking employment in Reykjavík without consulting the union.(54)

These "explanations" contain at least a grain of truth but lack a framework or at least some coherency. Báran was not a trade union in the modern sense, but rather a society for the ultimate purpose of preserving cultural values and dignity in a growing climate of class-confrontation. The wages were only one aspect of this search for class-identity among the fishermen. The other aspects concerned abstinence from alcohol, the importance of education and enlightenment, the first steps towards political participation, and, not least, the awareness of becoming a distinctive social group, not relying on the initiative of liberal "friends", even if they continued to influence the labour movement many decades on. The union was neither a trade union nor a political party, but contained some premature elements of both in the years of an infantile labour movement. The members were usually active during low seasons in the darkest winter-months, between November and February. Ironically or not, the tyranny in the immediate labour process was left unchallenged until the fishing season was over. What could this lead to other than the strangulation of the Deck-hands' Union if the fishing seasons were lengthened? A new solution had to be found. This dilemma was also faced by the union of skippers and mates (Aldan) which was, like Báran, mainly active between October and February. Around 1910 this practice in Aldan was retreating and the activity of rank and file was replaced by a more permanent board of the land-based functionaries.(55) This turn of organization was apparently too slow within Báran and the whole had to be started anew in 1915, then as a different union.

The primitive structure of Báran was not suitable for the changing circumstances of work at sea as the mechanization process continued. The fishermen in Reykjavík stood without a union of their own for 5 years, until late 1915. Their conditions of work, and their

situation in general had in the meantime become serious.(56) The lengthening of the fishing season meant a reduced ability to participate in their union. If they were to organize on a permanent basis - a precondition never materialized in Bárán's history - the fishermen had to follow the example of "Aldan".

The fast growth of Reykjavík's population was primarily the result of migration from the country side and the small fishing towns, mainly in the western parts of the country.(57) This phenomenon, when the labour force in a given region swells from outside, has been called "external recruitment".(58) This flow, especially in the first decade of this century, put heavy pressure on the inexperienced labour movement; the wages seem to have been quite pressed and the unions remained practically silent. The mobilization within the unions was surely a difficult task and the prospects of fierce class struggles were minimal. The labourers did not gain rising real time-wages. This can partly be attributed to the role of the industrial reserve army in Reykjavík prior to WWI - the supply of labour was often much greater than the demand. Not only the Deck-hands' Union experienced this development, but also the newly established trade union of land workers, Dagsbrún, founded in 1906, and some minor associations of labour.

It is likely that the social and economic conditions in Reykjavík prior to the war ran against the interests of the working people and their organizations. In short, these were rather hard times for the labour movement and the working masses in spite of rapid accumulation of capital and new means of production. The first significant workers strike in Reykjavík occurred so late as in 1913, while the real test for the fishermen arose in 1916.

9.5. The unskilled land workers and "Dagsbrún"

9.5.1. The workers situation in the early 1900s.

When Dagsbrún (The Reykjavík General and Transport Workers Union) was founded in 1905-6 one of its outstanding promoters, Ágúst Jósefsson (59), noted that the characteristic feature of this era was the lack of genuine working class organizations. The exceptions confirmed this rule.(60) He drew attention to two necessary tasks to deal with: Firstly, "that the workers should fix the price of the only commodity which they had for sale: the labour power" by founding a workers' union, and secondly "to loosen the grips of the employers and other superiors over the working people and instead to vote in elections for their own interests". This must be a claim for both a trade union and the, workers' political organization, a party.(61) Á.Jósefsson complained were furthermore that the existing societies in

Reykjavík were at this time "mixed" in their social composition. He seems therefore to have arrived at the conclusion that such societies did not improve the consciousness and the distinctive social identity of the working people. This had to be done through their own organizations. His conclusions were a considerable novelty at this time when working class politics in Iceland were in their infancy, advocated only by some few leftist intellectuals with a knowledge of the political development in Europe and North-America. Á.Jósefsson was one of the pioneers, having become familiar with the labour movement in Copenhagen as a printing apprentice.(62)

This insight into the necessity of trade-unionism combined with political struggle outside the economic sphere - although often clumsily formulated and inadequately expressed - quite early bore new fruit in elections on local level and later to the National Assembly, i.e. in 1916, the year when the Federation of Labour was founded serving simultaneously the double role of a social democratic party and a labour federation.

9.5.2. The membership of "Dagsbrún", 1906-1936.

With regard to the number of workers in Reykjavík the foundation of "Dagsbrún" seems to have been quite a success. The original members in 1906 were 384 and at the end of the year they were nearly 600. At the time this was approximately 1/4 of all workers in the town. Shortly afterwards the progress came to an end and the membership shrank, foremost in 1910-11, and had by then lost 36% of the founding members.(63) The membership of Dagsbrún is furthermore shown in Figure 9.2.

In the pre-war era, or at least prior to 1913, the union had apparent difficulties in achieving noteworthy gains and some of the reasons are discussed in following sections. The average membership since the end of 1906 to Dec. 1919 was 580 and by then a total of 1345 had ever entered the union. With 670 members in 1919 it means that about 50% of the cumulative membership was still in the union. For comparison the cumulative amount in Dec. 1912 was 870, making the annual rate of recruitment 49 members in the years 1907-12 and 65 members between 1913 and 1919.

It is interesting that the temporary increase of members in 1913 coincided with the start of large scale harbour construction in Reykjavík and a successful workers' strike waged against the employer. The next upswing coincided with the foundation of the Federation of Labour in 1916 and a high demand for labour.

It was not until 1928-9 that Dagsbrún began expanding rapidly when the union had gained enough strength to recruit the still unorganized portion of workers under the immediate threat of

boycott.(64) In 1929 the members were ca. 900; in 1932 they were 1247; and four years later 1603.(65)

9.5.3. Consolidation of trade union activities.

Although the original number of the Dagsbrún members was large it did not necessarily mean that the ordinary members were particularly aware of all the rights and obligations which such a membership required. Blacklegging and disinterestedness was a common subject of discussion within Dagsbrún for many years. But the trade union could not put any real pressure upon those members which undermined their union, whether consciously or as a result of their ignorance.

In the autumn of Dagsbrún's first year of existence the chairman at an ordinary meeting reported that some of the members had violated the "extra-clauses" ("aukalög", which determined the minimal wages of the members) of the union, but he saw no reasons to take any serious measures against them.(66)

Another threat, more serious and long lasting, was rooted in the inflow of migrating workers from the countryside and the small fishing towns. These workers repeatedly undermined the strength of Dagsbrún since they in most cases were accused of ignoring the union. In their strive for work these "aliens" frequently refused to enter a trade union like Dagsbrún, not only because of the entrance fee and threats from their superiors/employers of being sacked, but also due to the temporary character of work. The pressure on the wage rates was the immediate result of the migrant workers, whether they decided to settle down in Reykjavík (which was more than likely, especially in the 1900s and 1920s) or turned back. As a result the leaders of Dagsbrún considered that the biggest threat to their union came from the "aliens" which in their practical vocabulary was a synonym for non-membership.

Dagsbrún met the unorganized labour migrants on two major fronts: On the one hand by agitating for membership in the labour union, and on the other hand by appealing to the employers and local authorities emphasizing the potential threat to the poor relief funds if the flow of redundant labourers to Reykjavík wasn't put under control. The increased poverty would imply that the tax-burden was increased, something which by tradition appealed to the more "respectable" citizens in Reykjavík. This strategy and the arguments were modified in the 1920s which underlined a deeper understanding of the social and economic mechanisms at work and a greater sympathy towards migrating workers.

At a Dagsbrún meeting in 1908 (25/10) a resolution was accepted where a pressure was put on the municipal authorities to give priority to the local labourers, especially family heads, before the non-

townsmen, with foreigners in the last category of all.(67) A similar appeal was made to all employers in 1911.(68). After the important decision to build a modern harbour in Reykjavík a resolution accepted in Dagsbrún (20/10 1912) presented the idea of a local employment bureau under the auspices of the town council.(69) Such an institution was believed to guarantee the priority strivings of Dagsbrún. Nevertheless, this idea did not meet success according to the plans. On one occasion it was complained that a private employment agent (S.Björnsson) had in 1913 hired 144 underpaid workers for the harbour project.(70) In January 1916 a Dagsbrún committee was formed in order to investigate the number of non-unionized workers in Reykjavík with the aim of mobilizing them into the union. According to the record books this permanently working committee did not achieve any significant gains during this year.(71) Anyway, the union got 104 new members, which was only surpassed in 1913.

The priority appeal did at least to some degree gain effects among the employers. The director of the provisional state monopolized foreign trade of Iceland in WWI, Hédinn Valdimarsson, seems to have accepted the claims of Dagsbrún when a letter from him was read at one of the union meetings (27/10 1917). Dagsbrún's workers were given priority for employment.(72)

In the 1920s these struggles of Dagsbrún for further recognition and acceptance were intensified both against the local authorities and the employers, and also through a more independent action of the labour movement to fight against the evil sides of the capitalist development in Iceland; the degradation of the conditions of labour, the constant evil of (seasonal) unemployment, the extremely poor housing condition, the intensified wage struggles, and the unjust poor law legislation which unveiled its dark sides and obsolescence in contrast to the rapidly changing social and economic circumstances. We may speculate whether the working people experienced improving or deteriorating conditions of living or not, but a greater awareness of these social conditions was the important effect of the changes; a rising class consciousness. The result was an increased polarization (separatism) and intensified class struggle.

A common denominator running through the scattered sources is the acuteness of the miserable conditions of living during the darkest winter months, especially between November and February when the unemployment usually was greatest. The workers were then feeling on their own skin their misery and were enforced to take measures to relieve the hardships of their families. By tradition the summer and spring was the crucial period of the year for gathering the necessary means of living for the winter months. Reference to this tradition was the gloomy message from the conservative circles to the working population, and there was no apparent reason to take any measures to change this custom and closely related attitudes in spite of the rapid changes occurring in the country - as mentioned in

Chapter 8. The economic development in the 1920s, was rapid, and so was the urbanization process, symbolized by the majority of the population becoming urban settlers, and in particular the polarization of the political system was underway on the class-basis fostered by the capitalist relations of production.

In the early 1920s Dagsbrún was still pressing the (conservative) local rulers to take measures against excess migration of workers to Reykjavík. (73) This resulted in an advertisement where the mayor of Reykjavík warned outsiders not to visit the town in search for employment, at least during slack season in the winter. Later, this negative attitude of Dagsbrún towards non-townsmen turned into a demand for more jobs in the public sector, for the building up of the infrastructure, hospitals, etc. What the leadership of Dagsbrún feared was the pressure of the migrant workers on the wages and employment in Reykjavík, but, as they saw the situation in February 1921, they were helpless to cope with this problem on their own.(74) At this meeting it was discussed seriously, although without definite results, to exempt some of the members and allow them to accept wage rates lower than that of the union. At this time it was far from being accepted by the employers to pay in accordance with the Dagsbrún wage minimums. It was primarily in the harbour area, i.e. in the transport sector, that the decisive levels of wages were decided (directly and indirectly as well) for the bulk of the workers in Reykjavík. The wages there guided the wages in other more marginal sectors with the important exception of the seamen which by then had a strong union. In the 1920s the wage struggles in Reykjavík were centred around Dagsbrún and Sjómannafélag Reykjavíkur, while other trade unions and associations played the second fiddle.

The resolution of Dagsbrún from 16/2 1929, which forbade the members to work side by side with non-unionized workers - in the harbour area particularly - was a result of the accumulated gain of strength in the 1920s. The process leading to the resolution cannot be understood without a wider framework of analysis of the class struggle in the decade. We know already the concrete results of this resolution which increased the membership drastically, but we must also understand such a resolution as a result of the profound social and economical development during the 1920s. We can name some of these factors briefly:

- (1) The (real) time wages rose steeply in the 1920s, with some occasional fluctuations (see the previous chapter).
- (2) The political hegemony of the capitalist class was given a blow in the parliament elections of 1927 when the Progressive Party (agrarians) with the neutral approval of The Social Democratic Party formed a "socially liberal" government. This event made possible an opening of social reforms (in the spirit of social democracy) in the National Assembly. Previously the only reforms which concerned the

working people were - if we leave aside the abolition of the pre-capitalist system of privileges based on property and social status - limited to the most acute issues of the fishermen (The Life Insurance Act of 1903 with later modifications; and the well known Labour Act of 1921 which restricted the working day of the trawler deckhands to max. 18 (!) hours a day).

(3) The work conditions in Reykjavík were changing, although modestly, through mechanization in industry, partly thanks to the introduction of hydrogene power plant in 1921. With some temporary disturbances, the 1920s were an exceptional period of economic growth as measured in G.N.P., which in turn fostered high expectations among the workers. Among the workers there was maturing a rising awareness to the question how the economic system was depriving them of the fruits of their own hard labour. This awareness had sides which strengthened the identity of the labourer when he faced every day unequal social conditions in his surroundings.

It was previously mentioned that the strongest foothold of Dagsbrún was the harbour area which was the most important source of living for the workers in Reykjavík. It was both the fishing industry and the foreign trade sector (transport) which gave the dock worker his decisive position on the labour market in Reykjavík. This corresponded quite well to the economic development up to the 1920s, concentrating the capital accumulation to the rapidly expanding fishing sector in combination with the over-all development of the infrastructure of the economy with Reykjavík as a vigorously growing centre. In this context the transport sector was indispensable for the economy in general. This happened to concentrate the labour power to the harbour area, which in the long run eased the process of unionization in Reykjavík - in which Dagsbrún had the greatest of advantages.

In discussions in the National Assembly in 1927, concerning the prohibition of night-work, the chairman of Dagsbrún and MP of the fast growing Social Democratic Party, Hédinn Valdimarsson, asserted that about 9 of every 10 dock workers in Reykjavík were members of Dagsbrún.(75) If this is correct then we must conclude that the expansion of the union in the years to come was mainly directed to branches outside the transport sector, branches which previously were scarcely unionized and in many cases hard to organize.

The new phase in the development of unionization in Reykjavík after 1928 means that the labour movement was expanding within certain geographical limits, filling a vacuum in other branches of the economy.(76) In contrast to the missionary role of the labour movement from one region to another - as the process of "union widening" - the process described above can be labelled as "union deepening" (or horisontal unionizing vs. vertical unionizing).

From the discussions within Dagsbrún in 1928-9 it is apparent that the conquest strategy was based on two main goals: Firstly, the

consolidation of Dagsbrún's positions in the harbour area where in the transport sector, three or four firms dominated besides the fishing firms, and secondly, the extension of the circle around the harbour area to other business activities elsewhere in Reykjavík. It was particularly in the first case that Dagsbrún had immediate success as noted in the records; and in the second case it is highly probable that the union succeeded in the long run, as witnessed by the drastic addition of members in the following years. That increase cannot be explained by pointing to the transport sector alone.

During the 1920s a moderate addition of factories occurred in Reykjavík outside the sphere of the fishing industry. This industry was small-scale and seasonal; for example the building sector experienced great fluctuations through the year. Large factories were scarce. The small-scale industries constituted an effective barrier against the unionization efforts of factory workers. The Union of Factory Workers in Reykjavík (Iðja), was founded so late as 1934 with an original membership of 60. Four years later, however, some 500 members had entered the union, of whom ca. 3/4 were females.

Dagsbrún was not limited to any singular branch but was from the beginning a general trade union of unskilled male workers. A comparable trade union for unskilled female workers (Framsókn) was founded in 1914. In neither case did the firms play an important role for the trade union organizations. The present workshop structure could hardly foster initiatives of the workers, to independent lines of action without consulting their trade union - the workers were usually in a handicapped position. Hence, the decisive position of the trade union within the labour movement, as an arbiter and co-ordinator of labour actions among the diffused workers in the economic structure. But this was also a sign of weakness for the individual worker who to a less degree could search for his working class identity among his fellow workers at the working place, but first of all through his trade union. In disputes on the labour market loyalty towards the labour movement was therefore a loyalty towards the trade union, something which the workers learnt quite early. The loyalty towards the labour parties was another matter.

9.5.4. The homogenization of "Dagsbrún".

The chairmanship of Dagsbrún was for over nearly 36 years under the leadership of the "friends" of the workers, i.e. first of all intellectuals of liberal, and later of radical stand. Some of them were MPs. This fact expresses the role of the intellectuals in the early labour movement in Iceland. It was considered desirable that the leadership could resist the immediate threats of the employers by simply staying outside the trade business or a branch in concern.

This was an expression of independence from the employers in the labour-capital disputes.

As in the case of the first chairman of Dagsbrún the main initiative to establish the union came from a worker which had no experience in running such an organization, but he was enable to persuade his friend, Sigurður Sigurðsson, a MP for (the conservative) Heimastjórnarflokkur in 1901 and 1909-19, to accept the chairman's seat of Dagsbrún because of his goodwill and experience in organizational matters. Sigurðsson was a widely known figure in the farmers' circles as an agricultural adviser of the Icelandic Agricultural Society 1900-1926, but he had gained some extra qualities for his familiarity with the working class movement in Denmark while studying there in 1897-1899. He had also been acquainted with the Deck-hands' Union, and held speeches there.

Later, or between 1922 and 1941, Héðinn Valdimarsson spent 15 years as Dagsbrún's chairman, besides his other engagements; as a social democratic MP, a director of BPs oil company in Iceland, and a leading founder of the Socialist Party in 1938 a party, which consisted of left wing social democrats and communists.

In the early years Dagsbrún was not a homogenous trade union if measured by its social composition. Among its members there thrived elements which belonged to some future trade unions, skilled craftsmen and even non-manuals. No research has still been made to unveil this composition of groupings within the early trade union movement but it was a common experience, especially for the infiltration of social democratic politicians (and to a lesser degree of communists) who were ambitious enough to seek candidacy as representatives to The Social Democratic Party which simultaneously happened to exist as The Federation of Labour until 1940. In 1930 the social democrats used their strength in this organization (ASÍ) to decisively exclude all delegates but themselves. The labour movement of the 1930s was characterized by this schism both on the political level and the trade union level, with many trade unions staying outside the umbrella organization.

In the ten years period before the foundation of The Social Democratic Party, Dagsbrún became a forum for political adventurers trying to exploit the votes of the union members, especially in the elections to the town council in Reykjavík. The members were torn apart between many rivalling groups and temporary coalitions. In the meantime efforts were made within Dagsbrún to prevent a broader program of working class ambitions except those of pure trade unionism, i.e. the immediate needs of the members. Working class politics were a completely new phenomenon in the political life in Iceland during these years which were almost completely dominated by the issues of national independence within the narrow limits of constitutional pettyfoggeri (stjórnarskrárflokkur). The bourgeois

hegemony divided the population on these "national" issues in which the working population was involved.

Only a few voices advocated a genuine line of working class politics from the beginning, but they were soon to be heard louder, especially when WWI was in full blaze. The recent accounts of the political development then as an orientation from "politics of independence" towards "class-oriented politics" (77) require a qualification: Firstly, "independence politics" intervened into the everyday life of the people only very marginally; the aspirations were directed to more earth-bound issues - the daily bread: secondly, the great change after WWI was that the working class became represented by the SDP, aided by the previous extensions of the electorate between 1903 and 1915. The working class acquired an independent mouthpiece and consequently a more distinct identity in contrast to its servile position during the era of "independence politics". Thirdly, the transformation of the economic system unveiled more openly the specific class character of the state's economic and financial policy.

At a Dagsbrún meeting in 1907 (22/12) Pétur G. Guðmundsson emphasised his statement from the previous meeting (15/12) that it was desirable - following the tradition in other countries - that all others than manual workers ought to leave the union when the time had come to base it on an occupational basis. This moment, he argued, had not yet arrived. The underlying reason for his statement was the coming municipal election in January 1908 which unveiled a complete state of confusion on the political level among the workers. Each group of occupation, and elements amidst the workers too - or rather in the names of various workers' groups - ran against each other. Not less than 18 candidate lists were in the ballot, among them a list from Dagsbrún with two high-salaried and "respectable" public functionaries topping the list in the name of the union.(78)

On one occasion it was argued that the elections candidates of Dagsbrún should not necessarily be members of the trade union because the combination of manual work of the bread-earners and a participation in various municipal committees would lead to a loss of income for the worker. One member proposed that Dagsbrún should stay outside and not participate; it was more necessary, he considered, to purge out some of the elements in the union. This was in 1911 when Dagsbrún was in a state of crisis, with internal quarrels and hostility. The moral at this moment was exceptionally low and the membership was minimal as we noted. At another meeting one year later (8/9 1912) the discussions about the problems of Dagsbrún were still continued. Someone brought up the idea of necessary information about the state of the labour movement abroad. This resulted in a lecture held at a Dagsbrún meeting in December the same year by Þorsteinn Erlingsson, a radical/socialist poet and a newspaper editor.(79)

In his lecture Þorsteinn Erlingsson emphasized two major successful achievements of the labour movement in Europe up to that moment: Firstly, the organization of the labour movement and co-operation among the workers was the biggest achievement and had a greatly impressive effect upon the ruling classes on the continent, kings and the bourgeoisie and aristocrats; and secondly, the extended right to vote, which had a tremendous enlightening and educating impact on the working masses abroad - he noted. The working class had on the local level a majority in many places, for example in Copenhagen. The late-achieved voting rights of the poor in Iceland were to some degree less restrictive than in Denmark, he explained. The minimum age for voting was according to him 30 years in Denmark and 25 years in Iceland, apart from some other differences.

In spite of good chances to participate in Icelandic politics the people were still only a pawn in the games of the ruling groups, especially in the public affairs on the national level:

"The participation of the common people - the workers, the craftsmen and the seamen - has been insignificant in the politics and public affairs, even on local level. I cannot remember any noteworthy idea which they have fought for and brought to victory. But on the other hand, I have seen the leaders of the political parties manipulate as pawns the workers, the seamen, the off-service workers, and the small farmers; not to checkmate any of your enemies, but only those who happened to be their enemy and they wanted to defeat to their advantage - not yours. And you have been so dispersed here in the capital that no party has appealed to you, but instead they have pulled you in all directions, each hoping to attract some fraction of you." (80)

Erlingsson admitted that he was quite blunt in speaking so plainly of how wrong and often stupidly the workers had behaved, but he sincerely desired to open up the eyes of the labourers in order to make them take new and fresh grips with their conditions and problems.

Of the direct aims of the labour movement in politics he proposed some reforms which obviously did concern the needs of the working population as the modernization process and urbanization were creating completely changed circumstances of living. He proposed reforms concerning old-age pensions, accident insurance, illness insurance, and unemployment compensation. (81) It is, of course, difficult to evaluate the significance of his ideas as they - except for the unemployment compensation - were the only proposal to improve the situation of the working class; a proposal which was met with a total refusal by the bourgeois representatives.

In the years which followed, especially during World War I, the rising awareness of the social conditions among the workers in

Reykjavík was in progress. As in many other countries the war had great effects to speed up this process as the conditions were successively getting worse, particularly in 1917 and 1918. The point here is that the revival of the labour movement was taking place before the great events of the world war, in particular the events in Reykjavík in april 1913 were a severe test of the labour movement's strength, in the first significant (but not the first) workers' strike in Iceland.

9.5.5. "Dagsbrún" and the female workers in Reykjavík.

Dagsbrún was from the very beginning the trade union of the unskilled male workers in Reykjavík. This doesn't mean that the members of Dagsbrún lacked interest in the situation of the female workers. So early as at the fifth ordinary meeting of the union (23/2 1906) Pétur G. Guðmundsson started discussions about the conditions of the female workers and possible measures to improve their standard of living. The reasonable wages of the females were about 2/3 of what the male worker earned, he proposed, but he also firmly asserted the principle of "same work, same pay". Also he proposed that Dagsbrún should take the initiative to establish a "section" of female workers within the union.

These proposals seem to have been a too revolting idea since the great majority of the meeting (84 against 26) voted down a resolution which contained a cautious step to contribute to an improvement of the situation of the female workers. Some were against for "ethical" reasons; the moral degradation was imminent if the both sexes worked side by side, something which would then exist only in Iceland and Russia according to one leading member.(82)

The female workers founded their own trade union ("Verkakvanna-félagið Framsókn") in 1914 and did never enter Dagsbrún, though these two unions were to have intimate contacts in the coming decades. The first attunement occurred a year after the foundation of Framsókn when members acquired mutual rights to attend the union meetings of the other union.(83)

9.5.6 Some complementary forms of sustenance

We can separate two main lines of "strategy" for the workers in the early labour movement under the uncertain conditions in the urbanized areas. The first line was directed against the employers (on the labour market) through combinations making claims for higher wages, a shorter working day, and other improvements which concerned the labour market. This line was directed against the evils of the capital-labour relation in general, and at later stages included

claims for state- or municipal ownership of some of the means of production. The second line of strategy was based on self-help among the members themselves through incentives to satisfy the most immediate needs by establishing co-operative trade societies, cultivation of vegetables, sampling of peat (mór), etc. These activities were for years the other side of the coin and usually a neglected aspect of the early labour movement when a social safety network of any kind was almost an empty phrase, if we leave aside the humiliating poor law system. These were years when the labourer had left behind the old "security" system of the farming community while the capitalist socio-economic system was in its infancy, without having taken any serious measures towards establishing the "welfare state".

In the meantime the working population had to find out on its own how to survive from one day to the next, or from one season to the next, without becoming an offer to the poor law system, a system of deportations and human degradation still in function and not decisively abolished until the 1930s.

9.6. The Reykjavík Seamen's Union.

Another example of how the labour movement became organized is taken from the experience of the fishermen. Here, the relationship between the structural changes of the fishing industry and problems of fishermen's organization is considered important in order to unveil the basis of mobilization and political struggle in the period.

9.6.1. The situation of the fishermen prior to 1915.

The trade union history of the fishermen in the era of Bárán (1894-1909) relates only barely the tendencies which regulated the situation on the labour market, such as wage contracts and other agreements concerning the fishermen's conditions of work. The harsh "law of supply and demand" in combination with the modernization of the fishing fleet with subsequent diffusion of the fishermen were the characteristic hallmarks in the period up to 1915. This does not mean that the subjective factors which were indispensable for the outcome of the class struggle were absent or without a significance. It is partly so that we lack information about the nature of the labourers' struggle in an era when they had no union. In particular in the period 1909-1915 the fishermen in Reykjavík were a headless army. This was partially characterized in the wage differences, not only the piece-rates but also in the monthly wages.

This situation became very strained during World War I when the cost of living was steeply rising and the real wages falling

rapidly.(84) For the seamen on the trawlers this situation became alarming while the trawler owners were the big profiteers. Fish prices on the European continent were rising while the wages - or a big proportion of them - were fixed. The price of liver affected greatly the outcome of the fisherman's income since he received a definite sum of money for each barrel-unit. When the price of liver skyrocketed in the war the dispute between fishermen and ship owners about the liver became the focal point of the capital-labour struggle, not only about the wages and distribution of income, but also a expressing touchstone of decisive significance with regard to the ownership of the fishermen's product itself.

In the decked sail vessels era the fishermen were in principle the undisputed owners of the agreed portion of their catch, usually the half of the weight. Their income was therefore dependent on the price of the fish which the merchants bought in order to cure and sell abroad. Quite often, or rather as the general rule, the merchant and the ship owner were the same person so it was usually the ship owner who bought the fish and fixed the price. The merchant-ship owner was therefore a monopsonist and it was quite a common accusation among the fishermen that the fish merchants practiced clandestine concerted action to press down the fish prices. Hence, the concern of the early sail vessel fisherman for his well beeing was not so much in terms of "wages" but a question of fish prices and the fishermen's shares of their products (hlutaskipti).

When the trawlers were run by the domestic owners they were careful enough to pay most of the wages to the seamen in a form of fixed monthly wages, allowing the deckhands to sample the cod-liver (which then had a low price) as an extra income. The trawlers continued therefore further the process of the separation of the direct producer from the products, and still further from the means of production. But still this divorce was not completed.

From the beginning the fish prices did not concern directly the trawler fisherman although the cod-liver was an unsettled question in World War I. Prior to the war the monthly average wages (fixed) of the deckhands were ca. 70 krónur on the trawlers, and including the liver-premium the hands received in total about 100 a month.(85)

Another issue of significance was the absence of work regulations, especially when the trawlers arrived. The hard life on these vessels has gone to the historical records as analogous to the hardness of factory work in the industrial revolutions on the European continent. On some occasions it happened that the deckhands were not allowed to sleep for days when the catches were good. Although there do not exist any known public health rapports which examined the state of health among the trawler-fishermen, the contemporary descriptions in newspapers and the often warm discussions in the National Assembly, do not leave a trace of doubt about the hard terms of work at sea. At least one of the articles -

written by a contemporary trawler deckhand - is a treasure which accounts for the inhumane conditions onboard.(86)

The absence of a fishermen's union in Reykjavík 1909-1915 left many issues unsolved for the "revived" union in Oktober 1915. For the seamen the trawling industry was obviously an unusual trouble child which brought into the daylight some unprecedented tasks to solve. Though the founders did not expect any bright prospects for this new union it showed very soon to be capable of fighting a fierce struggle against the trawler owners in Reykjavík only a few months later, in April-May 1916. In the decade which followed the Reykjavík Seamen's Union (S.R.) attained for a while a leading position within the Icelandic trade union movement and became temporarily the biggest trade union in the country, surpassing Dagsbrún both in strength and membership in the early 1920s.

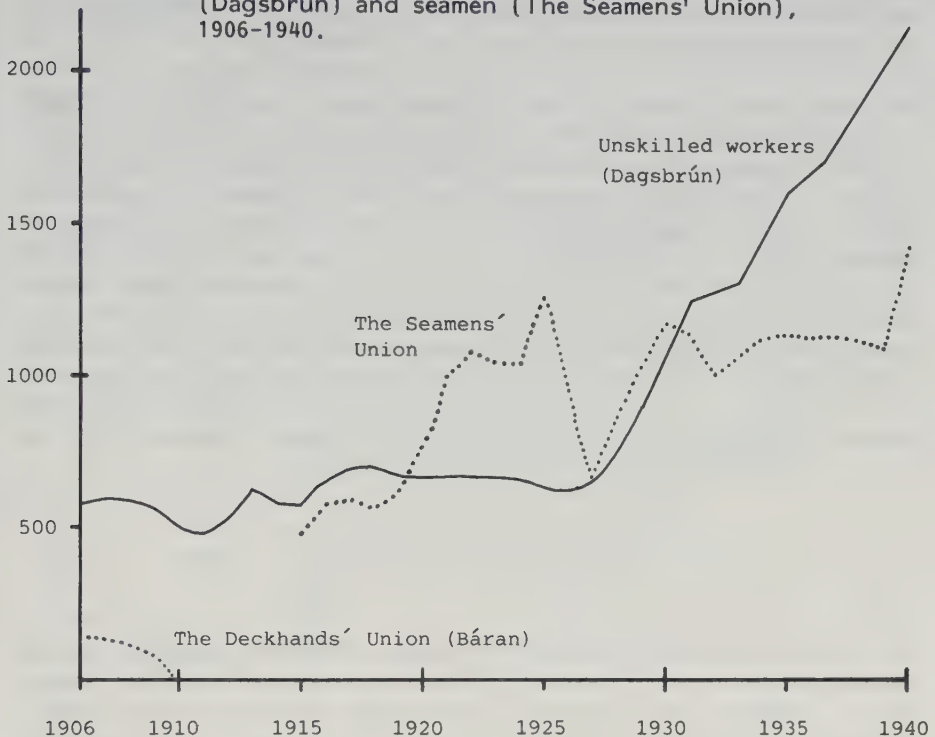
9.6.2. The membership of the Reykjavík Seamen's Union, 1915-1940.

The Seamen's Union which was "refounded" in Oktober 1915 did have similar success as Dagsbrún achieved a decade earlier. At the end of the year the members were 480 and in the next years the membership stayed stable around the 580-level. In 1920 the name of the union was changed from a union of deck-hands only (Hásetafélag Reykjavíkur) into The Seamen's Union, in connection with the declared strategy to include all subordinates on offshore vessels, both cargo and fishing vessels. The continuous dominance of trawler fishermen prevailed however, while those on the smaller vessels with premium-wages only were few.

The conquest of the Seamen's Union contained three interrelated elements which contributed to the strengthening of the union, particularly in the 1920s:

Firstly, after a great reduction of fishing vessels in 1917 - when half the trawler fleet was sold to France by the abundantly profiting by the owners - the expansion of the fleet took a great leap in 1919 and 1920, especially of new-built steam trawlers. The significance of the trawler fleet in Reykjavík was therefore reflected in a stronger core of unionized members among the fishermen as we noted in chapter 5. Secondly, prior to 1920 the membership of S.R. was restricted to the deckhands only, on all off-shore vessels.(87) By appealing to the remaining groups of subordinates among the seamen it was self-evident that the membership increased in S.R. But this increment had other qualities which prevented the various factions from being played against each other by the employers. The era of "collective bargaining" was gradually replacing alternative forms of wage fixing in this particular branch, although not covering all sections of seamen, mainly those on the smaller fishing vessels which preserved the older forms of premium wages. In the 1920s and 30s the diffi-

Figure 9.2. The estimated unionization of unskilled male workers (Dagsbrún) and seamen (The Seamen's Union), 1906-1940.



Sources: The Trade Union Movement Historical Society: "Meðlimaskrá Verkamannafélagsins Dagsbrún"; Sjómannafélag Reykjavíkur 25 ára; Þingtíðindi Alþýðusambands Íslands 1924-40.

culties of unionization among seamen (both fishermen and those on cargo vessels) prevailed. Foremost the skippers and mates were severely split by types of vessels and forms of wages.

Thirdly, in the early 1920s the unionizing process among the seamen was practically finished with no large group left outside. As early as in 1920 some voices began praising the Seamen's Union for its success in mobilizing into the union the bulk of the seamen in Reykjavík with only a minority still outside.(88) At the end of 1925 the membership had reached maximum and two years later the minimum level was achieved, if we are to believe the bookkeeping accounts of the union.(89) We can expect inaccuracies caused by fluctuating recording principles, or by the members not paying their membership fees in time and so on. It is known that in the mid 1920s it was considered necessary to purge the union and outlist non-paying members. The membership might be smothered with moving averages although we do not perform it here.

On the whole the S.R. was capable of maintaining its strong positions continually through years of world crisis and economic difficulties in the fishing sector.

In the 1930s the members oscillated between 1000 and 1180 and the man-power capacity was without major fluctuations though somewhat downwards in Reykjavík.

Only 1½ month after the foundation of S.R. it was asserted in the workers' paper called "Dagsbrún" that the Seamen's Union had already become the biggest union in the country with 400-480 members.(90) However, the claim that S.R. was by then the largest union contradicts the information offered in the previous section about Dagsbrún. We are not far from the truth if we come to the conclusion that between 1915 and 1920 the membership of Dagsbrún was slightly higher. It was not until the early 1920s that the Seamen's Union definitely surpassed Dagsbrún (91) while the opposite occurred around 1930, when the expansion of the fishing industry in the inter-war period was over - at least in Reykjavík.

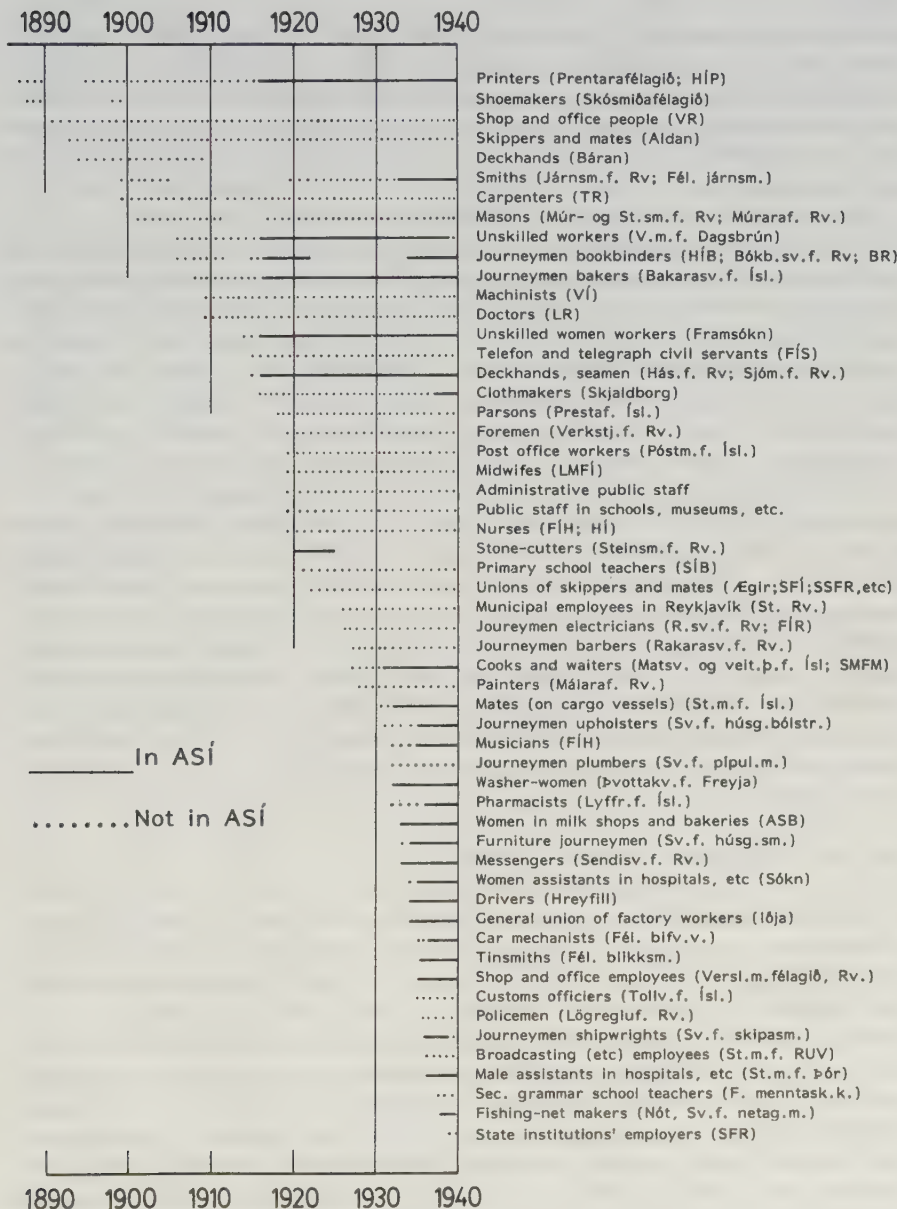
9.7. The trade union structure in Reykjavík prior to 1940.

Before the era of world crisis in the 1930s there were only three or four significant trade unions in Reykjavík while the remaining unions existed more or less in obscurity. Many of these were very small unions based on the smaller crafts while there remained a great number of ununionized casual and seasonal workers. In Reykjavík there existed in 1930 ca. 15 labour unions and associations which had labourers within their ranks. Some of them were infiltrated by employers, which throws into doubt the actual role of such combinations. Between 1931 and 1937 the hardening climate on the labour market obviously put an end to such "corporate" union building when no less than 18-19 new unions were established in Reykjavík alone. Most of these unions had their bases in the smaller trades with only a few dozens of members each, but in 1934 an important exception broke this rule. The Union of Factory Workers in Reykjavík (lðja) was founded with female workers in majority. From 60 members originally lðja grew rapidly and had gained 705 members in 1940.(92)

Here it is not intended to write the history of all the remaining unions in Reykjavík; only the general outlines of this relatively obscure part of the history of the labour movement can be treated here.

The union building process in Reykjavík followed a fluctuating pattern in which periods of union establishment were followed by periods of stagnation. Since we still lack research of this phenomenon we can very little say about the causal factors; at best we can provide a hint. The years when the unionization was liveliest were

Figure 9.3. Trade unions and similar combinations in Reykjavík; years of foundation (and discontinuation) and membership in The Federation of Labour (ASÍ) prior to 1940.



Main sources: Vinnan - afmælishefti 1966; Ásgarður 1:1967, 1:1972.

1898-1901; 1906-1909; 1914-1919; 1926-1928 and particularly in the period 1931-1937 as we noted. On the other hand the setbacks were most evident in the years 1901-06; 1909-13; and 1920-26. These periods do not signify the peaks and lows of trade union activities in general but only the inclination of the various components of the working class to unionize. In short, World War I and its aftermath draws the line between the previous era of "cultural-corporate" combinations, and the inter-war period of intensified class struggle and polarisation. In the latter case the unions turned increasingly towards wage-bargaining, which was stimulated by inflation-deflation and, later, economic crisis.

Figure 9.3. shows when trade unions or societies were founded (or ceased to exist within a particular trade) and when they entered The Federation of Labour (ASÍ) before 1940. The sporadic character of the early unions is evident; the unions were usually short-lived and in most cases extremely weak. This in many cases went hand in hand with the "class-collaborative" properties of these "unions", which explains why they did not enter ASÍ until they had been reorganized or split so that the wage earners formed a distinct organization. For example the shop assistants and clerks (in V.R.) and the carpenters (in T.R.) did not establish genuine unions of wage earners until around the 1950s.(93) Another example is the Masons' Society which in 1933 was split into The Masons' Union which only later entered ASÍ (1943) and The Association of Master Masons.(94) The labour movement became more homogenised and class-orientated while petty-producers and employers were organizationally isolated from it. The Federation of Labour contributed to this process with restrictive measures in the clauses. Unions which had employers in their ranks had to be approved by 2/3 of the votes on labour congresses.(95)

9.8. The Federation of labour - ASÍ.

Before 1916 the working class in Iceland was without a political party of its own, expressing the aims which were not confined to the immediate demands on the labour market. The first efforts to make this become a reality were made in 1907 with a foundation of a pre-mature "Workers' Federation" (Verkamannasamband Íslands). The will to establish such combinations was of a political character primarily; the necessity to found a political party was perceived as a relation between twins where the other was the trade union movement. Before the great schism in the international workers' movement between the social democrats and the communists there was a tendency to conceive the relationship between labour organizations and working class parties as unproblematic. When class-consciousness was in its infancy in Iceland at the turn of the century the workers

had very faint ideas of any existing borders between the immediate demands to improve their life situation and the more abstract visions of a desirable society in the future. The distinction between the "labour market" and the ascending capitalist relation of production was diffuse.

We can therefore say that the early labour movement was from the beginning more "total" in its approach to the everyday problems of their members; the wages were only one aspect of the problems which were discussed on union meetings in an era which was still barely "institutionalized".

The right to vote wasn't extended to the advantage of the working people until with the reforms of 1903 and 1915. The restrictions on this right were successively abolished (such as the obligations to pay a minimal tribute of a communal tax, the restriction which prevented the domestic servants to vote, the very limited right of women to vote other than as owners of substantial properties, etc.) and the last remnants of the old injustices were finally abolished in 1934. The constituents grew from ca. 10% of the nation in 1903 to 32% in 1916 and 56% in 1934. In 1963 the comparable figure was 54%.⁽⁹⁶⁾

The first elections to the National Assembly where the "lower orders" became a significant factor - not to mention the females - were held in 1908. In section 9.5.4. of this chapter we got some glimpses of the fatal inexperience and low political consciousness among the working people in Reykjavík this year. In 1916 the workers were again put under a similar test which they performed quite well. In the municipal elections of 1916 and the elections to the National Assembly later that year the workers were better organized than previously. The Seamen's Union was founded in the autumn of 1915 in the same stroke that prepared the foundation of The Federation of Labour (ASÍ) beginning in Reykjavík and the neighbourhood town of Hafnarfjörður. The immediate spark behind these efforts was the same as eight years earlier; the need for concerted political actions of the workers in the forthcoming elections.

Although ASÍ (Alþýðusamband Íslands) was founded both as a social democratic party and a federation of trade unions the timing of its preparation symbolizes excellently the future proportions of its actions in the twenties and thirties. The rank and file of the members belonged to one of the unions of ASÍ but had restricted liberty to choose delegates to the central organs other than declared members of the Social Democratic Party (which in the 1920s had communists in its ranks). First it was performed by convenience, but afterwards changed into paragraphs. The schism between the communists and the social democrats became total in 1930, resulting in two workers' parties.

As an organization ASÍ was composed of two basic elements: of trade unions and local social democratic clubs of which the latter

constituted from the beginning only a tiny minority. This coexistence within ASÍ was based on the common aims within the social democratic framework of reformism drawn up in 1916.

As a prototype the first party program adopted in May 1916 symbolizes the mixed social composition of the representants which participated in the foundation of the federation. The program proposed an intimate co-operation between workers and farmers and contained a blend of the characteristics of classical reformism, liberalism and Georgism.(97) The program was biased towards the questions of distribution within the existing social system rather than the structure itself. The division between the rich and the poor was supposed to be less distinctive in Iceland than elsewhere, but the program was highly orientated to diminish this gap through various reforms. The conceptualization of class was very primitive; the main division being made between the few rich on the one hand and the proletariat in the towns and the farmers on the other hand.

The program can be divided into three major sections which have in common that they all deal with national issues of which the tax system, the state of production and infrastructure and the social legislation founded the cornerstone:

1. Taxes. ASÍ opposed the introduction of tariffs on imports, mainly those on consumables, and proposed a cautious progressive income tax and various corporation taxes. This was in short a claim that capital should be taxed rather than labour. The tariffs on sugar and coffee were particularly unpopular.(98)

2. Production. Public enterprises were of great concern in the party program, not only for improving the general framework of production (infrastructure) in the country but also should the state occupy the key positions in the economy, firstly the foreign trade sector through monopolized trade of some of the vital necessities, and secondly the big industry, in particular the steam trawlers but also the important means of communication.

3. Social policy. The old poor law system was viewed with great hostility since it equalled a loss of the right to live as a respectable citizen. The public relief should assist the needy ones; not keep them as slaves. Other demand concerned the improved conditions of work and proper inspections of the fishing fleet to preserve the lives and health of the fishermen. The education system was poor, and ASÍ stressed the need to have a public conciliator in disputes on the labour market; a demand which foreshadowed the future institutionalization of the labour-capital relations.(99)

If this was the party program of 1916 it was obviously no more than a reformist election program since the battlefield was limited to parliamentary issues primarily. It was a helpful program for the working class candidates but was a rather poor strategy for the ordinary members in the labour movement in their everyday struggles. As a result the trade unions became a focal point in the

daily affairs while the Labour Federation was occupied in reform politics.

Shortly after the foundation of ASÍ and especially in the 1920s the breaches in the party-federation system became evident on two main points: Firstly, the political schism within the Social Democratic Party between the reformists and the communists was greatly amplified due to the system of representation. The trade unions constituted the needle-eye which the bulk of the political leadership had to pass through. Only a small minority belonged to the local social democratic clubs. The Seamen's Union for example was infiltrated by loyal social democrats with seemingly the sole purpose of being elected as congress delegates. This in collaboration with the union leadership.(100) The communist minority recommended an independent federation of labour in the 1920s to avoid the damages of a political confrontation within the trade union movement. This would mean that The Federation of Labour and The Social Democratic Party became two separate organizations. Secondly, the successive involvement and representation of the Social Democratic Party in the national politics of the 1920s (f.ex.: the neutral coalition in 1927 with the agrarians in the agrarian Progressive Party, Framsóknarflokkur.) led to a situation where the daily struggles, the immediate issues of working class demands, the extension of the federation and propaganda, became the weak spot of the organization complex.(101)

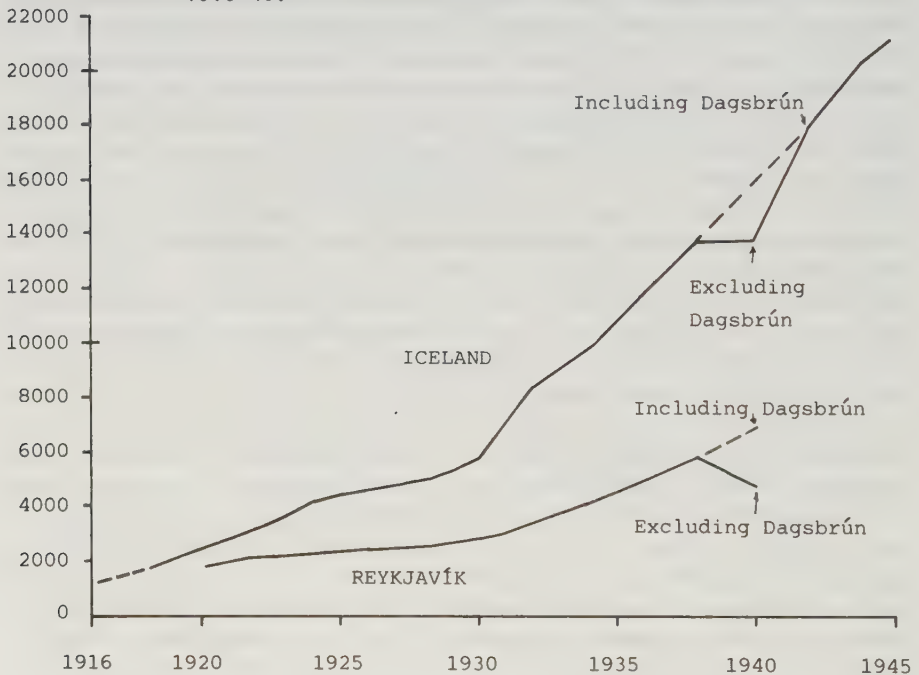
Finally, in the 1930s the schism between the social democrats and the communists resulted not only in the foundation of The Communist Party of Iceland but also in often tragic union splits and disputes between rivalling trade unions.

In spite of these factional disputes the workers' movement achieved an unprecedented strength on the major frontiers in the 1920s and 1930s. The political strength on the national level rose and the best election results ever achieved by the Social Democratic Party were gained in 1934 with 21,7% of the votes. The party formed a coalition government with the Progressive Party between 1934-37; usually labelled "The government of the labouring classes". The Communist Party gained momentum in the 1937-elections when it became for the first time a representative body in the National Assembly with 8,5% of the votes. In the inter-war years the bulk of the trade unions, whether within ASÍ or not, increased in strength and membership.

While statistical information about trade union membership in Reykjavík is scarce we know only broadly those who belonged to ASÍ (see Figure 9.4. and Table 9.1.). The increase of the ASÍ-membership was moderate in the 1920s compared with the 1930s; or ca. 2500 in 1920 to 5600 in 1930 while the membership in 1940 was ca. 15800 if we compensate for the temporary withdrawal of Dagsbrún from the federation. Dagsbrún had by then over 2000 members and had left the federation in a protest against the abuses of the social democratic

leadership. In the 1920s Reykjavík was over-represented within the federation with ca. 70% of the union members while only 33-39% of the workers lived there. This position was changed when the rapidly expanding organization gained foothold in other regions during the late 1920s and in the 1930s. Although the expansion of the labour movement in Reykjavík continued in the 1930s ASÍ's conquest was mainly occurring in the numerous but small fishing towns, in particular among the unskilled workers and fishermen which in many cases in common founded a trade union. Hence, Reykjavík's proportion within ASÍ was reduced to ca. 43% in the 1930s (Dagsbrún included).

Figure 9.4. The membership in The Federation of Labour (ASÍ), 1916-40.



Sources: The records of ASÍ's congresses.

Various authors estimate that in ca. 1930 the number of union members outside ASÍ was between 700 and over 1000, of which the bulk of the unions were small.(102) There are some reasons to believe that these figures were in reality higher. If we use the figures of ASÍ-membership to relate the core of the unionized workers to the estimated size of the working class we see that the labour movement was rapidly growing in the 1930s in comparison with the previous decade.

Table 9.1. The membership of The Federation of Labour (ASÍ) in relation to the size of the working class in Iceland, 1920-40.

ICELAND	1920	1930	1940
Total of workers	10.956	16.092	19.672
Members in ASÍ	2.546	5.620	15.850*)
Membership in %	23.2	34.9	80.6
REYKJAVÍK			
Total of workers	3.635	6.268	8.634
Members in ASÍ	(1.788)	(3.900)	6.821*)
Membership in %	49.2	62.2	79.0

*) Includes Dagsbrún with approximately 2167 members.

Source: The Population censuses of Iceland; printed congress protocols of ASÍ.

A rough comparison between Reykjavík and the country in total shows first of all that ASÍ started in Reykjavík (and Hafnarfjörður) but the activities were extended in the 1920s and 1930s to turn it into a genuine national organization. Although Reykjavík did show substantial progress measured in the rate of unionization during this period it could hardly copy the progress elsewhere in the 1930. The total membership of ASÍ increased then by some 46 percent-units compared with 17 percent-units in Reykjavík. Most of these unions included unskilled workers or semi-skilled (fishermen), or both. Many of the fishing towns which expanded had a uniform occupational structure of which the fishing population alone constituted 35-50% of the working population. This concentration of one occupational group in its turn quickly fostered enclaves of working-class radicalism, especially in Norðurland (Siglufjörður, Akureyri) which contradicted the familiar picture of apathy and helplessness in the sparsely populated areas. At the turn of this century one of the "Klondikes" of Austurland, Seyðisfjörður, fostered probably the first trade union of unskilled workers in Iceland, which however was very shortlived, and so was too the expansive phase of the town.

The distinct proletarian structure of the fishing towns can also be confronted with the more diversified occupational structure in Reykjavík and the specific problems which concern the relation between the concrete socio-economic structure and the forms of working-class consciousness. (103)

From the late 19th century the occupational structure in Reykjavík became gradually more diversified; the proportion of the fishing population declined, but it is not certain that the proletarianized fishing population shrank. Manufacture (incl. public construction) and

furthermore the various service orientated occupations absorbed a constantly growing portion of the working population in the capital.

The result was a comparatively late start of unionization in the services and processing occupations. Iðja, the first general union of factory workers in Reykjavík, was founded so late as in 1934. From the very beginning a great majority of the members were unskilled female workers while the males rather joined the growing number of small and specialized unions. Factory work was then primarily restricted to food processing and clothing industry. The structural changes in the economy affected the composition of sexes in the labour movement: in 1920 the females in ASÍ constituted roughly 23% of the members while in 1940 the figure was 28%, but the females were always underrepresented within the labour movement. In this period the female occupational rate in Reykjavík was 34-36%.⁽¹⁰⁴⁾

In the chapter dealing with the population censuses we already noted the decidedly changing composition of the working population, mostly significant in the withdrawal of the dominating position of the fishermen. Other groups were more or less advancing. These changes are reflected in the composition of the Federation of Labour as Table 9.2. shows.

Table 9.2. The Composition of the members of the Federation of Labour in Reykjavík, 1924-38. (Rough estimates in %).

	1924	1932	1938
	%	%	%
Seamen (unskilled/semiskilled)	47 (1)	34 (1)	19 (1)
Unskilled male workers	29 (1)	37 (1)	35 (5)
Unskilled female workers	17 (1)	21 (2)	28 (5)
Skilled workers of both sexes	7 (4)	8 (4)	18 (16)
Total	100 (7)	100 (8)	100 (27)

Note: The brackets show the number of unions in each category.
Sources: Printed and mimeographed congress records of ASÍ.

The most apparent result of this labour movement structure in relation to the occupational structure provides an insight into the basic fabrics of the working class: Firstly, almost from the beginning the seamen and the unskilled workers constituted the backbone of the labour movement; in particular the seamen, who were highly over-represented in the Federation. Secondly, the late start and growth of genuine labour unions of skilled and semi-skilled workers, and craftsmen, indicates the relatively weak situation of the factory proletariat and those in the smaller work shops. Thirdly, the work place was only informally and lately integrated into the structure of the labour movement; a fact which amplified the meaning of the trade union as the central point of working class activities. However, in

contrast to that, the employers were disorganized and the major conflicts in the inter-war era were centred around one or few employers and the trade union(s) in concern. Hence, the strength of the labour movement was highly related to the strength of the trade unions.

The rapid growth of the small unions in the 1930s did not necessarily mean a comparative leap in the strength of the labour movement. The weakness of these unions was apparent if they stood alone, outside ASÍ. They were simply enforced to enter the federation to take advantage of the improved position of the central organ. In 1938 the first all-embracing Labour Bill ("Vinnumálalöggjöf") was passed in the National Assembly, replacing the clearly ineffective legislation from 1925 which contained statutes about a public arbitrator.⁽¹⁰⁵⁾ In 1934 the Confederation of Icelandic Employers was founded, so from then on the labour market was to a high degree conquered by two opposing blocks, which in turn handed over a bigger role to ASÍ as a central organization of trade unions.

In this era the political monopoly of the Social Democratic Party within ASÍ was total since no members of other political parties were according to the statutes allowed to represent their trade unions on the higher levels of the federation. That so many new trade unions entered ASÍ in the 1930s in spite of the political and organizational schism cannot be assigned to the political enthusiasm of the union members in favour to the social democrats. It was rather the shelter and combined (although undermined) strength of the ASÍ-unions which the smaller unions sought - not least outside the densely populated areas. Also, the political rivalry hastened the foundation of new unions by adherents to either of the workers' parties.

The boastful tone of the federation-bureaucrats when they "explained" the growth of the federation as a positive effect of the split in the labour movement was simply unsound.⁽¹⁰⁶⁾ It is quite possible that thanks to this conquest in the thirties the turn in 1940 which repealed the undemocratic clauses made the separation of SDP from the Federation possible. Furthermore, we should not underestimate the important factors outside ASÍ which weighed heavily against this organizational anachronism: the communist propaganda and a political split in 1938 within The Social Democratic Party which, in unity with The Communist Party of Iceland, founded a new and a successful party, The Socialist Party.

9.9. Summary and conclusions.

It was pointed out above that a great consistency prevailed between the forms of organization within the labour movement and the system of production and the level of technical development, the ownership and organizational structure of the business firms which were on the

whole very small production units. The small size and the relatively low level of production technique (with the trawling industry as an important exception) and primitive organization were some essential features of the capitalist production system. Capitalist production based on "scientific management" was completely foreign in this era of capital accumulation. These peculiarities constituted a determining factor in the establishment process of the labour movement from the first steps of philanthropic societies via independent seamen's societies to genuine trade unions.

The development of the labour movement implies several features which are relevant to the "emancipatory" history of the working class:

1. In the beginning the seamen and the manual workers were considered as second class citizens which had to be brought up in a proper manner if they were to be baptized into the bourgeois community. This process went pretty early into the hands of the workers themselves, a kind of self-emancipation which simultaneously constituted a unique process of identity search leading moreover to a higher level of class-consciousness of the various layers within the labour movement.
2. Given the harsh nature of the production system in combination with the obsolete social "security" system - the poor law system - the workers perceived during the modernization process that they had to count on themselves in the first instance. This led to attempts to raise a living by cultivation of vegetables; to form relief funds within the unions, or sick funds and other voluntary means besides various measures to control the labour supply, though often in vain. The first rule was self-help and hard work, which later was transformed into organized struggle for aims which were intended to improve the conditions of living. This was in short a process beginning with passivity, self-denial, sacrifice and self-help, but leading gradually to open struggles against the dark sides of capitalism in the 20th century.
3. The maturity of the labour movement in the 1920s was not exclusively the result of a struggle against conditions which had apparently become unbearable to a growing proportion of the working people, but was concurrently an expression of the growing self-confidence and raised class-consciousness which was so characteristic for this period. The growing awareness of the social miseries and injustices was not necessarily a proof of a deteriorating situation of the workers; they were, however, certainly more conscious about their own position and also more "schooled" in the art of fighting it.
4. The Federation of Labour was originally intended to unite the working class in both political and union struggle. It was remarked that the political development contradicted these aims both on ideological grounds (reformism vs. communism) and due to the bias of ASÍ towards party and coalition politics.

5. The general division of labour and increasing protectionism was associated with a great revival of trade union foundations in the 1930s. This was in some cases a result of separatism which aimed to isolate foreign elements from the labour movement and made the relations on the labour market more formal than previously.

Notes to Chapter 9.

1. S.Lundkvist: *Folkkrörelserna i det svenska samhället 1850-1920*, ch. V-VII. Lundkvist's point of reference draws heavily upon the work of H.Perkin: *The Origins of Modern English Society 1780-1880*, ch.VII.
2. E.P.Thompson: *The Making of the English Working Class*, p. 45; Hobsbawm: *Labouring Men*, pp. 23-33.
3. Thompson, *ibid.*, pp. 54-5.
4. This is discussed more thoroughly in Chapter 8 on the social policy.
5. Lúðvík Kristjánsson: *Úr Heimsborg í Grjótaþorp*, vol. I, pp. 183-201.
6. *Ibid.*
7. *Ibid.*; and also Pétur Pétursson: *Church and Social Change*, pp. 116-17, 127n, 133-36.
8. Pétur Pétursson, *op. cit.*, pp. 115f, 133ff; Lúðvík Kristjánsson, *op. cit.*, vol. I, p. 195.
9. Lúðvík Kristjánsson, *op. cit.*, pp. 200-1.
10. See for example Ólafur R. Einarsson: *Upphaf Íslenskrar Verkalýðshreyfingar 1887-1901*, p. 32, 56; *Vinnan* (1943), p. 14; *Þjóðviljinn* 4/11 1936 and 14/11 1944; *Alþýðublaðið* 14/11 1934; Heimir Þorleifsson: *Frá Einveldi til Lýðveldis*, p. 157; *Félagsmál á Íslandi*, p. 224; Skúli Þórðarson: *50 ára Starfssaga Sjömannafélags Reykjavíkur*, p. 19.
11. Einar Laxness: *Íslandssaga 1-ö*, p. 166f.
12. Pétur Pétursson, *op. cit.*, p. 95.
13. Einar Laxness, *op. cit.* p. 167.
14. S.Lundkvist, *op. cit.* p.67.
15. See Ólafur R. Einarsson, *op. cit.*, pp. 78; Klemens Jónsson: *400 ára saga prentlistarinnar á Íslandi*, p 162; *Afmælisminning hins íslenska prentarafélags* (1922).
16. Ólafur R. Einarsson: *op. cit.* p 43.
17. *Prentarinn*, 1st year, 1:1910, p 2.
18. Ólafur R. Einarsson: *op. cit.* p 82.
19. *Prentarinn* 1st year, 1:1910, p 5-6; *Hið íslenska prentarafélag 40 ára 1897-1937*. *Afmælisblað Prentarans*, 4. April 1937, p 30. The fund wasn't used at any rate until 1921 and after.
20. *Afmælisminning hins íslenska prentarafélags* (1922); *Prentarinn*, 1st year, 1:1910, p 13 (HB).
21. *Þingfélöndi ASÍ* (Federation of Labour), 1924 and 1940.
22. *Hið íslenska prentarafélag 40 ára 1897-1937*. *Afmælisblað Prentarans*, 4. April 1937, p 49; Klemens Jónsson: *op. cit.*, p 195. Although agreed in 1920, the 8 hours working day was put into practice in the beginning of 1921.
23. See moreover in Klemens Jónsson: *op. cit.*, p 206-9; *Prentarinn*, 8th year, 1928, p 29-32, 34-36.
24. The accounts of Ottó N. Þorláksson 40-50 years later in *Alþýðublaðið* 14/11 1934; *Þjóðviljinn* 4/11 1936, 23/10 1940, 14/11 1944; and *Nýtt Dagblað* 4/11 1941 provide apparently contradicting informations: in one interview (4/11 1936) he attended the Temperance Union in 1888; while in another interview he and another leading person in *Báran* (Geir Sigurðsson) knew nothing personally of it nor of other societies (14/11 1934 and 14/11 1944). Possibly he was a registered but passive member in the Temperance Union. Ólafur R. Einarsson (*op. cit.* p. 93)

- believed that Geir Sigurðsson was active, but Ottó N. Þorláksson not.
25. See Chapter 5 on the labour in the fishing sector. The figures here include deckhands only.
 26. Gils Guðmundsson: Skútuöldin, vol. 3, p. 196; *Ægir*, 1907, p 71.
 27. Bárður Jakobsson: Skipstjóra- og stýrimannafélagið Aldan 1893-1943, p 40-2.
 28. *Ibid.*, p 13; see also Vilhjálmur Þ. Gíslason: *Sjómannasaga*, pp. 654ff; Gils Guðmundsson: *op. cit.*, vol. 3, p 196.
 29. Bárður Jakobsson: *op. cit.*, p 13 (paragraph 1).
 30. Pétur G. Guðmundsson: *Tíu Ára Starfssaga Sjómannafélags Reykjavíkur*, p. 18; Ólafur R. Einarsson, *op. cit.*, p. 55; Bárður Jakobsson: *op. cit.*, p 41f.
 31. In order not to confuse the reader I translate "Sjómannafélagið Bárán" into The Deck-hands' Union, while "Sjómannafélag Reykjavíkur" (and originally in the years 1915-1920 the name was "Hásetafélag Reykjavíkur") is labelled The Seamens' Union. The old Seamens' Club should not cause any troubles.
 32. Sverrir Kristjánsson in Jón Blöndal, S.K.: Alþingi og Félagsmálin, pp. 34-36.
 33. Þorkell Jóhannesson: Alþingi og Atvinnumálin, p. 53ff, 287ff; Gunnar Viðar, in Landsbanki Íslands 75 ára, pp. 1ff; Ólafur Björnsson: Saga Íslandsbanka, pp. 11-15.
 34. See a thorough study by Einar Jónsson in Minningarrit Fimmtíu Ára Afmælis Stýrimannaskólans í Reykjavík 1891-1941, pp. 43-94, *passim*.
 35. Gils Guðmundsson, *op. cit.*, vol. 3, pp. 203ff.
 36. For a definition of the term truck system see G.W.Hilton in note 12 to Chapter 3.
 37. Skipshafnarskrár fyrir Reykjavík, 1891-1896. (Crew lists for Reykjavík) Preserved in The National Archive (Þjóðskjalasafnið) in Reykjavík.
 38. *Alb.tíð*. 1893 (C 325; B 895); 1897 (C 243; B 616, 731); 1899 (C 396; B 1030-52; A 420-25); 1901 (C 319; B 923-29; A 412-17); Jón Blöndal (et al): Alþingi og Félagsmálin, p. 58 (the year 1891 is incorrect); Jón Guðnason: *Skúli Thoroddsen*, vol. 2, pp. 359-68.
 39. Sigurður Sigurðsson: "Minni Bárunnar" (handwritten speech) 20/11 1904 is a part of Sigurðsson's collection of private papers preserved in The National Archive. (See: Einkaskjalasafn: E.76.10).
 40. H.Pelling remarked that around the mid-nineteenth century the "temperance movement, encouraged by the non-conformist sects, exerted an increasing influence on unionists, and the practice of holding union meetings at public-houses began slowly to decline.: A history of British trade unionism, p 57.
 41. The meeting records of Bárán in The National Archive. (Fundabók Bárufélagsdeildarinnar No.7, stofnuð 23. janúar 1906); see also Þjóðviljinn 14/11 1944.
 42. Þjóðviljinn 23/10 1940, 14/11 1944.
 43. See note 39; also Alþýðublaðið 14/11 1934.
 44. The meeting records of Bárán; see note 41.
 45. *Ibid.*, (f.ex. 8/11 1906, 17/1 and 18/1 1908); and moreover in Haraldur Jóhannesson: Pétur G. Guðmundsson og upphaf samtaka alþýðu, ch.8. Also the minutes of Dagsbrún (Gjörðabók Dagsbrúnar) 15/12 and 22/12 1907; 14/1 1912; 11/11 1915; Verka-

- mannablað (10/1 1914); the minutes of The Seamen's Union (28/11 1915).
46. The meeting records of Báran 31/1 1908, 7/1 1909; also Pétur G. Guðmundsson, op. cit., p. 23.
 47. Pétur G. Guðmundsson, op. cit., pp. 21-4.
 48. Sigurður Línadal: Vinnufriður og vinnulöggjöf, in Úlfjötur 25(1972) p.320
 49. Þjóðskjalasafn (The National Archive) Skipshafnarskrár fyrir Reykjavík 1891-1896. No comprehensive or statistical study was performed, but the absence of any general agreements was obvious. See also Fjallkonan 1891 (newspaper)
 50. See note 47.
 51. See a good account of the contemporary atmosphere from a worker's view in Vilhjálmur S Vilhjálmsson: Við sem byggðum þessa borg, vol. III, p 239ff.
 52. Pétur G. Guðmundsson, op. cit., p. 24f.
 53. Newspaper interviews with Otto N. Þorláksson; in Alþýðublaðið 14/11 1934, and Þjóðviljinn 23/10 1940.
 54. Skúli Þórðarson, op. cit., pp. 25-6.
 55. Bárður Jakobsson: op. cit., p 6.
 56. Verkamannablað, 12/7 1913, p 30; Dagsbrún 17/7, 7/8 and 9/10 1915.
 57. The population censuses 1901-1940; Þjóðskjalasafn (The National Archive) Skipshafnarskrár fyrir Reykjavík 1891-1896; Helgi Skúli Kjartansson: Fólksflutningar til Reykjavíkur 1850-1930, in "Reykjavík í 1100 ár", especially pp. 272-79.
 58. E.J.Hobsbawm: "The Formation of the Industrial Working Classes: Some Problems.", p. 177.
 59. The article was signed "Á.J." which was belived by some to be Árni Jónsson, but in Haraldur Jóhannsson, op. cit., pp 80-4 and 95, the interviewed (Þorsteinn Pétursson) remarks that it was Ágúst Jónsson who wrote it. Ágúst Jónsson had been acquainted with the Danish labour movement while he was an apprentice and a printer in Copenhagen between 1895 and 1904.
 60. Ágúst Jónsson was unlucky to "forget" The Seamen's Union (Báran). See Ottó N. Þorláksson's reply in the following issue of Alþýðublaðið (21/1 1906, pp. 15-16) where the existence of Báran is emphasised.
 61. See furthermore in Section 9.6 about the Federation of Labour (ASÍ)
 62. Haraldur Jóhannsson, op. cit. pp 80ff.
 63. Pétur G. Guðmundsson: Ágrip af sögu Dagsbrúnar, in Fylgirit Alþýðublaðsins 26/1 1936, p. 3. Also The trades union Movement Historical Society (Sögusafn verkafélagsreyfingarinnar): "Meðlimaskrá Verkamannafélagsins Dagsbrún"; also Table 6.6. Of all who became members in 1906 almost 42% had left the union by the end of 1911.
 64. The minutes of Dagsbrún (Fundargjörðir Verkamannafélagsins Dagsbrún í Reykjavík 1926-1933).
 65. Þingtíðindi Alþýðusambands Íslands, 1924, 1926, 1932, 1934, 1936; Pétur G. Guðmundsson: Ágrip af sögu Dagsbrúnar, p. 3.
 66. The minutes of Dagsbrún (Gjörðabók fyrir Verkamannafélagið Dagsbrún 1906-1917).
 67. Ibid., (25/10 1908).
 68. Ibid., (26/3 1911); Haraldur Jóhannsson: op. cit., p 161.
 69. Ibid., (20/10 1912).
 70. Ibid., (19/1 1913).

71. Ibid., (27/1 1916; 11/1 1917)
72. Ibid., (27/10 1917)
73. Borgarskjalasafn (The Reykjavík Archive): "Atvinnubætur 1917-32", Aðf.nr. 3347, (letters dated 6/4 and 10/11 1921).
74. The minutes of Dagsbrún (Stjórnarfundarbók Verkamannafélagsins Dagsbrún 1914-1926).
75. Alþingistíðindi 1927, C 77.
76. The first chairman of The Union of Women Assistants in Hospitals, etc. ("Sókn") remarked that only the dock workers, (female) workers in fish processing and seamen were adequately organized among the manual workers. Starfsstúlknafélagið Sókn 40 ára, 1934-1974, p. 5.
77. Ólafur R. Grímsson: Political Power in Iceland Prior to the Period of Class Politics 1845-1918 (unpubl. Ph.D. thesis, 1970); Svanur Kristjánsson: Conflict and Consensus in Icelandic Politics 1916-1944 (unpubl. Ph.D. thesis, 1977), p.36.
78. Haraldur Jóhannsson, op. cit., pp. 138ff.
79. Réttur (1916), pp. 172-83.
80. Ibid., p. 175.
81. Ibid., pp. 176-7.
82. The minutes of Dagsbrún 1906-1917; Pétur G. Guðmundsson: "Nokkrar minningar frá uppvaxtarárum Dagsbrúnar", in Vinnan (1943: 6-7), p.150; Auður Styrkárstöttir: Kvænnaframboðin 1908-1926, p.26f.
83. The minutes of Dagsbrún 1906-1917, (28/10 1915, 13/1 1916).
84. In Alþýðublaðið 26/1 1920 it is noted that both the Seamen's Union (1915) and the Federation of Labour - ASÍ (1916) were both products of the war-time inflation. As we shall see in Section 9.6. the foundation of the Federation was due to more complicated circumstances than that - least to say.
85. Skúli Þórðarson: Sjömannafélag Reykjavíkur 25 ára, p. 16f.
86. Verkamannablað (12/7 1913); see also Dagsbrún (17/7, 7/8, 9/10 1915).
87. Dagsbrún (30/5 1915); Sjömannafélag Reykjavíkur 25 ára, p. 34.
88. Alþýðublaðið (9/7 1920, 11/11 1921); The minutes of Sjömannafélag Reykjavíkur 1922-1931 (23/3 1923).
89. Sjömannafélag Reykjavíkur 25 ára, p. 40.
90. Dagsbrún (11/12 1915).
91. Alþýðublaðið (9/7 1920, 16/3 1921).
92. Þingtíðindi Alþýðusambands Íslands (1934, 1936, 1938 and 1940).
93. Vinnan 1966, pp. 105-6, 111. It should be noted that the bulk of shop and office workers (The Icelandic Shop and Office Workers' Federation, Icel.: Landssamband Íslenskra Verslunarmanna) was denied of membership to ASÍ until 1962. With the assistance of the Labour Court (Félagsdómur) a long dispute over the character of The Shop and Office Workers' Federation (including the local union in Reykjavík, Verslunarmannafélag Reykjavíkur) was put to an end with a decree which enforced ASÍ to open its gates. The carpenters' case in the 1950s was more easily solved.
94. Björn Sigfússon: Múrarafélag Reykjavíkur 50 ára.
95. Lög Alþýðusambands Íslands 1916.
96. Sigurður Línal: Þróun kosningaréttar á Íslandi 1874-1963, in Tímarit Lögfræðinga (1963), pp. 35-47.
97. "Alþýðuflokkurinn". The first party program was adopted 27/5 1916 and printed as a pamphlet with explanatory notes in 1917.

98. The frequent milk shortages in the urban areas underlined the importance of coffee for all categories of people - even the children. See f.ex. Guðmundur Björnsson: "Bæjarbragur í Reykjavík" (1936), reprinted in *Mánasilfur, safn endurminninga* (1979), pp. 94-100.
99. See Chapter 8, dealing with the social policy.
100. Fundagerðabók Sjömannafélags Reykjavíkur (The minutes of The Seamen's Union) 1922-29, (18/10 1922).
101. Þingtíðindi Alþýðusambands Íslands 1926; Ingibjörg Sólrún Gísladóttir: *Vinstri andstaðan í Alþýðuflokknum 1926-1930*, pp. 59ff.
102. See f.ex. Árbók Hagstofu Íslands 1930, p. 90; Brynjólfur Bjarnason: "Frá íslenskri verkalýðshreyfingu", in *Réttur* (1930), p. 374; Ingibjörg Sólrún Gísladóttir, op. cit., p. 20; Svanur Kristjánsson: *Íslensk verkalýðhreyfing 1920-1930*, p. 32.
103. A good example of such a comparison is in J.Foster: *Class Struggle and the Industrial Revolution*; and a shorter version by the same author in "Nineteenth Century Towns: A Class Dimension", in M.W.Flinn/T.C.Smout (eds.): *Essays in Social History*, pp. 178-196.
104. See more thoroughly in Chapter 6 and Appendix B.
105. That the act of 1925 was ineffective is apparent in a report of the public arbitrator, published in: "Álit Vinnulöggjafarnefndar ásamt frumvarpi um stéttarfélag og vinnudeilur." (1938), p. 72.
106. See an example of this in Þingtíðindi Alþýðusambands Íslands 1936, p. 17.

Chapter 10

SUMMARY AND CONCLUSIONS

As the title of this work indicates the aim has been to investigate the main features of Iceland's transition prior to the Second World War. Of primary concern were the effects of the great turnabout on the existing socio-economic groups or classes and the way in which the character of the class-society changed accordingly. It was emphasized that the decisive period of transition was between 1880 and 1930 and that within this interval the whole look of Iceland was dramatically changed. While the main emphasis is to account for the change itself the study begins with a presentation of the key features of "Old Iceland", arguing that the economic system was based on both social and environmental factors which preserved great potentials to undermine the centuries old dominance of farming over fishing. Fishing as an indispensable complement to the farming occupation in a large part of the country was not allowed to develop separately from farming. In this respect the legal restrictions on the embryonic division of labour in society were instrumental for the preservation of the old social system. Foreign trade exemplifies this attitude since the activities of the foreign merchants were severely restricted to the sphere of commodity circulation only, not production. In the 19th century, however, this system was breaking up and the economy was successively opened in accordance with the principle of *laissez faire*.

The research carried out in this work is centred around the transitional problem in two ways primarily. It begins by examining diverse aspects of Iceland's socio-economic system in order to make the dynamic properties of it discernible. The emphasis rests on the relationship between farming, fishing, foreign trade, and the development of urban occupations (Chapters 2-6). The idea behind this procedure was to provide a framework of analysis for the second part of the work, dealing with the condition of labour in the transitional period (Chapters 7-9).

As a point of departure the Icelandic society in the 18th and early 19th century was outlined. The social structure and class division depended for the most on the possession of farms as production units, and thus on the possession of land. To have a farm also meant a right to have a family. In those days marriage was a privilege for a part of the population, while the rest of it was compelled to serve others as domestic servants, farm-hands, workpeople, etc., and consequently to remain single.

In the 19th century about 1/4 of the nation belonged to this category and until 1880 they increased and put pressure on the

existing resources in the farming sector. In contrast to the great demographic catastrophes in the 18th century the 19th century introduced a new situation without great traumas of famines and epidemics. The study procedure was focused around the new "set" of responses such as the growing interest for emigration to North-America or the tendency to allow the population to seek the fishing districts more than previously. Since fishing was an old-time subsidiary to farming in many parts of Iceland an effort was made in order to trace what really was new in the 19th and early 20th century.

The turn towards the urban occupations and the fisheries was dependent on the diminishing capacity of the guardsmen of the landed interest in Iceland to hold together the work force under the domination of the farming sector. The problems here were not only of external character, such as the liberalization of trade restrictions, and the attraction also caused by America but the farming sector itself being in trouble. The culmination came in the 1880s when ca. 15% left the farming sector.

It was argued that in spite of the existence of a large fleet of small rowing boats the prospects of an independent class of work-people and fishermen relied not only on new fishing techniques, but also on the more intensive utilization of this technique. The process of rationalization of fishing as an occupation was almost simultaneously a process of capitalization of the fisheries. Here, the decked sail vessels played the key role, which in turn transmitted workpeople from the farming occupations to new areas of occupation. In this upswing of fisheries more advanced than previously the proletarianization process was launched on a large scale. A process which combined a divorce of the direct producer from the means of production, and enforced him simultaneously to get employment as a wage-worker. However, in the early stages of capitalism this was difficult to perform when employment work force was compelled to migrate to various parts of the country in order to make a reasonable living.

The decked sail vessels exemplified this precarious employment pattern in the early transitional era between 1880 and 1910. A substantial part of the study was devoted to considering the properties of the new means of fishing in Iceland and how they affected the possibility of keeping the work force employed. The technological development and its effects on the direct producers is in the fishing sector classified on the basis of the following features: The capacity (size) of the fishing vessel, and the properties of the fishing gear. This distinction shows that the step from the sailing vessels to the steam trawlers was more "revolutionizing" in terms of the work process aboard, co-operation and wage-work, than in the simple approximation of vessels becoming larger. The trawlers in that respect signified the change from formal subordination of capital in the production process in the sail vessels era to real subordination of capital. This process was associated with the turn from the simple

and individually performed cod-fishery on the sail vessels to the work discipline and mechanization on the trawlers.

To obtain a seismograph of the total turnover of the employment-pattern in Iceland Chapter 6 approached four sides of the problem: Occupational division, socio-economic structure, concentration of occupation to Reykjavík, and the role the females played according to the population censuses. From 85,8% in 1855 the farming sector shrank to 34,7% in 1940. By the 1920s the majority of the total population was living in urban areas. The greatest upturn of the fishing population was in the 1880s and 1890s and also in the 1920s while the "secondary" and "tertiary" occupations were primarily a 20th century phenomenon.

It is noteworthy that in the first four decades of this century the main socio-economic groupings did not change much but the important change of pattern occurred within these groups. For example among the manual workers the decline of the fishermen was apparent; thus the dominance of the fishermen in the early workers movement declined, although it remained relatively great. The other interesting case is that a similar pattern-change occurred with the "non-manuals", where the previous dominance of housework services gave way to employment in public services and various professional personal services. The employers' part of the economically active remained mostly stable.

Since a large portion of the remaining chapters dealt with both material and legislative sides of the urbanization in general and Reykjavík in particular a special attention was paid to the composition of the work force there. Even if the fisheries were an important part of the economic landscape in the capital - about 30% in the mid-19th century - the significance of this branch shrank to 10-15% in the 1930s. On the other hand the "secondary" and "tertiary" occupations such as manufacture, commerce, transports and services absorbed the overwhelming majority of the work force, not only in the capital, but also of all people employed in these branches in the whole country. The concentration of these branches to Reykjavík was in 1940 approximately 60%.

In Chapter 7 the aim was to provide a first hand account of the development of wages in the transitional era by elaborating existing wage information and other indicies. It was pointed out that the incomes of the workpeople depended on factors - such as the wage form, form of payment, length of work period (seasons), and the cost of living - which in isolation cannot offer a sampled picture of the incomes development. While the relatively best "indicators" available for Iceland are the hourly nominal wages of workers in Reykjavík, they provide no definite answer to the question of how the incomes during a whole year developed. Compared with the cost of living the wage-rates (real) did not improve substantially except in the 1890s and 1920s while they remained mostly unchanged from the turn of this century to the First World War, and also during the 1930s. The only

investigation of annual incomes of workers in the inter-war period shows that these moved similar to the ordinary wage-rates. In the 1920s the highest wage-rises occurred when the general price level fell and the workers were able to preserve their nominal wage-rates. This progress went along with the breakthrough of the labour movement in the 1920s, which in turn coincided with a rapid growth of fishing capital in particular and national growth in general.

The fishing sector proved to be a spearhead in many aspects. In Chapter 8 it was shown that the development of social policy from poor-law legislation towards modernization was not least the outcome of pressure which the fisheries created. Often the progress in legislation in favour of fishermen lead to similar actions in other branches as well. The insurance problem was one of these areas. However, the unemployment problem was only at a late stage accepted as a social problem which required actions by the authorities, the state and the town-council in Reykjavík. The available information preceding the official unemployment registration in the 1930s shows that unemployment in Reykjavík remained a permanent seasonal problem at least. During slack season between October and February the employment situation was worst. While this problem was much highlighted in the 1920s it was not done because of any real deterioration from previous employment levels; the contrary might be the case. At least in one important area the situation was totally new; the working class movement had gained strength enough to raise demands and put force behind them.

The last chapter examined the rise of the workers movement from almost total obscurity and negligible role in the early transitional period. This was performed by focusing on only a few of the workers unions and tracing how they fared. Many of the early unions were regarded more as amiable (or friendly) societies and they did gather only a little strength as wage-bargaining unions. It was furthermore argued that the seamen in Reykjavík, after they had formed the Seamen's Union in 1915, composed the "elite" among the workers in the capital. The thrust of the trawling industry in the town after 1919 and during the 1920s gave the trawlermen the role of the vanguard of the interests of the workers in general. This situation exemplified the state of the industrial development better than anything else: While the land-based manufacture in Iceland was in the inter-war era only an infantile industry the steam trawling business remained the branch where the confrontation between capital and labour was most clear and in that way it typified the "industrial" breakthrough in Iceland. In the long-run, however, the significance of the fisheries in the economy diminished, which was echoed in the changed composition of the workers in the Federation of Labour. In that respect the large and general unions of workers which earlier had predominated the scene were now followed by many but small unions of artisans, especially in the 1930s.

EXCURSUS. General concepts of socio-economic periodization.

The following formulation is based mainly on the recent development which Marxist historiography has passed through in order to become a more powerful tool than previously.(1)

To take the step from a theoretical formulation to historiography the crucial problem of how things were produced, owned, and distributed cannot be avoided, if a realistic picture of the social structure as a whole is desired. Thus, the criterias used here for socio-economic periodization are offered in terms of modes of production, relations of production, and types of economic structure with regard to economic epochs. The periodization in the first instance embraces the key period of this work (1880-1930) between the opposite poles of pre-transitional (archaic) society in the 19th century to a social form where the capitalist mode of production composes the essentials of the production system. It sounds almost as a tautology that we need a theoretical framework which consistently explains the transition between these two different epochs. This is not only a question of giving different phenomena the proper labels, but of penetrating the concrete content of the concepts, or as Jon Elster remarks:

"Periodisering er selvsagt noe mer enn bare typologisering, og den typologiserende metode er langt mindre omstridt. Typologisering er strengt tatt ikke noe annet enn begrepdannelse. Problematisk blir typologiseringene først når man lar dem omfatte store sosiale komplekser ...

På det mest generelle plan skal ... periodiseringen av historien allikevel ha en dynamisk karakter: dialektikken mellom produktivkrefter og produksjonsforhold, bevegelsen fra "entsprechen" til "widersprechen" fører til at én produksjonsmåte slår over i den neste, gjennom den revolusjonære endring i produksjonsforholdene som følger av kumulativ endring i produktivkreftene. I det øyeblikk vi ikke lenger lar disse begrepene være abstrakte udefinerte kategorier, men begynner å sporre etter det konkrete innhold av ord som "produktivkrefter", "produksjonsforhold" ... oppstår det en lang rekke problemer".(2)

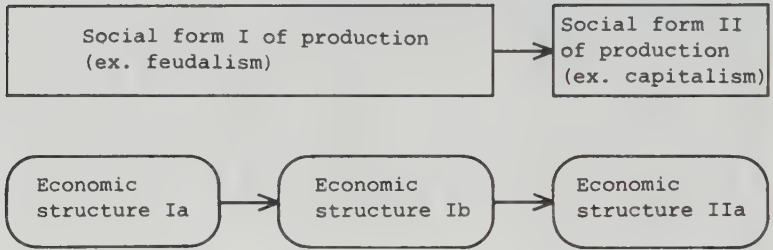
This cannot mean anything but a quest for a logical consistency of the categories and a concretization of them, or both.

Before we explore the content of the essential categories used here it is necessary to clarify: a) the definition of the central concepts, and b) the relationships between these concepts and the abstraction level on which they can be applied. For this task this section draws heavily upon the work of G.A.Cohen: Marx's theory of history, a defence.(3)

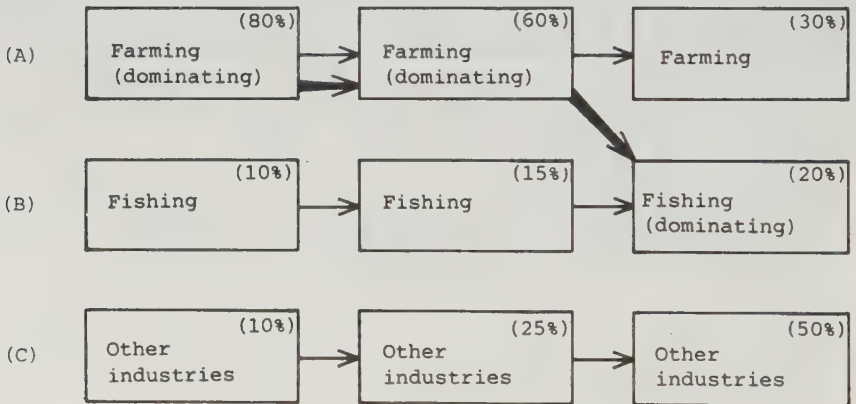
Figure 1. might give the reader an idea of how the periodization of economic epochs is related to changes in the economic structure, and (social) relations of production, which in turn are in essence highly related to the outcome of the cumulative changes of the forces of production and a distinctive mode of production. The figure shows only the elementary relations or structure of the economy but not the material properties of it.

The economic structure comprises the totality of production relations within a given social form of production. It is a framework of (effective) power within which the agents of production participate. It is, however, only through changes in the totality of the production relations that we can see changes in the economic structure. The term "production relations" needs some explanation.

Figure 1. A typology of economic change and social forms of production.



Sectors:

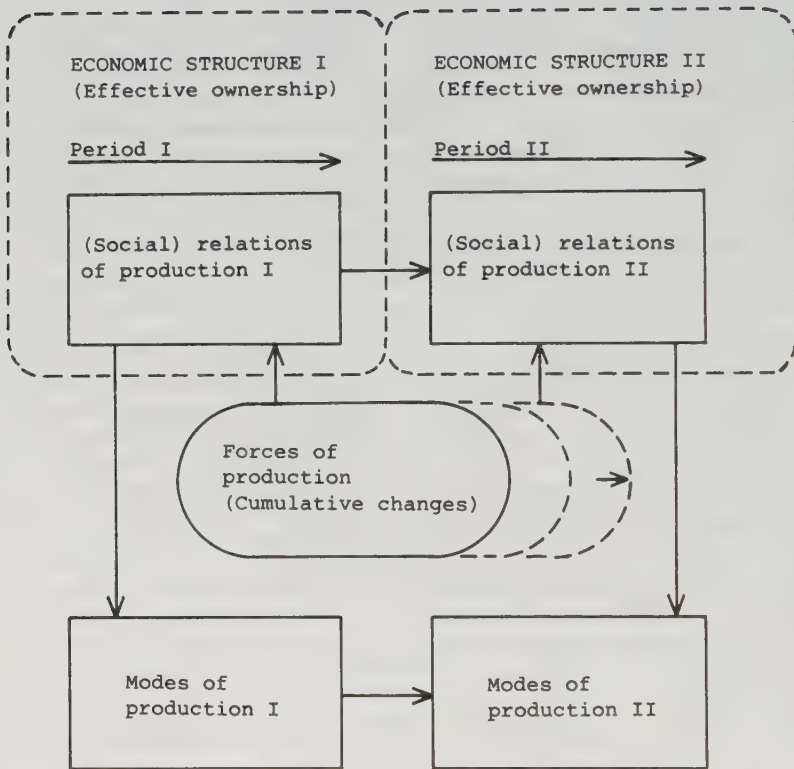


The totality of production relations (PR) means essentially a set or a number of prevailing PR within the economic structure. Another qualification rests on the presence of production relations which dominate the economic structure and which bear their marks on the remaining production relations in the same structure. Hence, the concept "domination" is analogous to different levels of "subordination" which provides a space for changes and frictions in the economic structure. It is therefore possible that changes in the economic structure (I-II) are compatible with a preserved social form of production (often labelled as feudalism, capitalism, socialism, etc) when one mode of production (and "corresponding" relations of production) continues to dominate (i.e. type-preserving changes in the economic structure). This theoretical framework allows endless variations of concrete social systems (forms) without untimely reference to all-embracing labels (such as "capitalism", "industrial society", "modern society" etc.) when we deal with economic systems in a narrow sense ("farming community", "age of the decked sail vessels", "the trawlers era", etc). Figure 1. nevertheless puts the "big labels" on their proper places in the hierarchy. The example presented in the figure shows an economic structure which rests on three different modes of production: A, B and C. The percentages in boxes indicate how the labour force is hypothetically divided in the society. If a horizontal movement typifies the economic epochs "of the structure of society" the changes might be called changes from pre-transitional era via transitional era to post-transitional era (Ia, Ib and IIa). The first change (Ia-Ib) implies that a shift occurs in the relations between the elements of the structure without shifts in dominance: a quantitative change where the dominance of mode of production A is diminished without a fundamental change of the social form (i.e. "Type-preserving change"). In the second case (Ib-IIa) the shift proceeds and results in a domination of a new mode of production (=B). This decisive shift constitutes the demarcation line between social form of production I (ex: feudalism) and social form of production II (ex: capitalism). "This is the revolutionary case in which the type of the economic structure does change, because one dominant production relation supplants another." (4) It should be noted that even if in this last case A is still a greater "sector" in the occupational structure than B, a shift of dominance has anyway occurred. The correct indicator is not necessarily the occupational structure although it can possibly "reflect" the varieties of economic changes. The relation between a mode of production (and thereof relations of production) and an occupational structure is of course problematic.

Since economic structures are just "frameworks" of power, where persons are related to each other through production relations, the material aspects of production are systematically ruled out from the analysis at this level. Only by taking these material aspects into account the primus motor (the driving force, or "the primary mover") of the socio-economic systems achieves its proper place in economic development.

Figure 2. demonstrates how the phases of the economic structure and the corresponding set of production relations are related to the social properties of the production process (mode of production) and forces of production. All these factors are interrelated, but how in content? By "forces of production" are meant the materially necessary components of production (material condition of production): the means of production (5) and labour power (6), with even more

Figure 2. Relations of key concepts with regard to the economic structure.



candidates to the list.(7) The point here is that "the productive forces occur below the economic foundation ... the productive forces strongly determine the character of the economic structure, while forming no part of it."(8)

There is a latent (practical) meaning by considering the development of forces of production as exogenous. On the global scale it is well thinkable that the co-existence of different social formation (and economic structures) foster interrelationships where in one case the development of the productive forces is an endogenous variable for economic system A (or country) while it is exogenous for the economic system B. This approach is particularly suitable for explaining the technological development of the instruments of production (9) but also the qualities of the labour power.(10) This is highly relevant with respect to the factors which affected Iceland. The endogenous improvements of the means of production were hardly comparable with the foreign innovations of equipment for fishing and other manufacture.

The common denominator of production forces and individuals in society is the (social) relations of production which are constituted on the basis of "effective" ownership (11) of the productive forces; the means of production (the raw materials and instruments of labour) and of labour power.

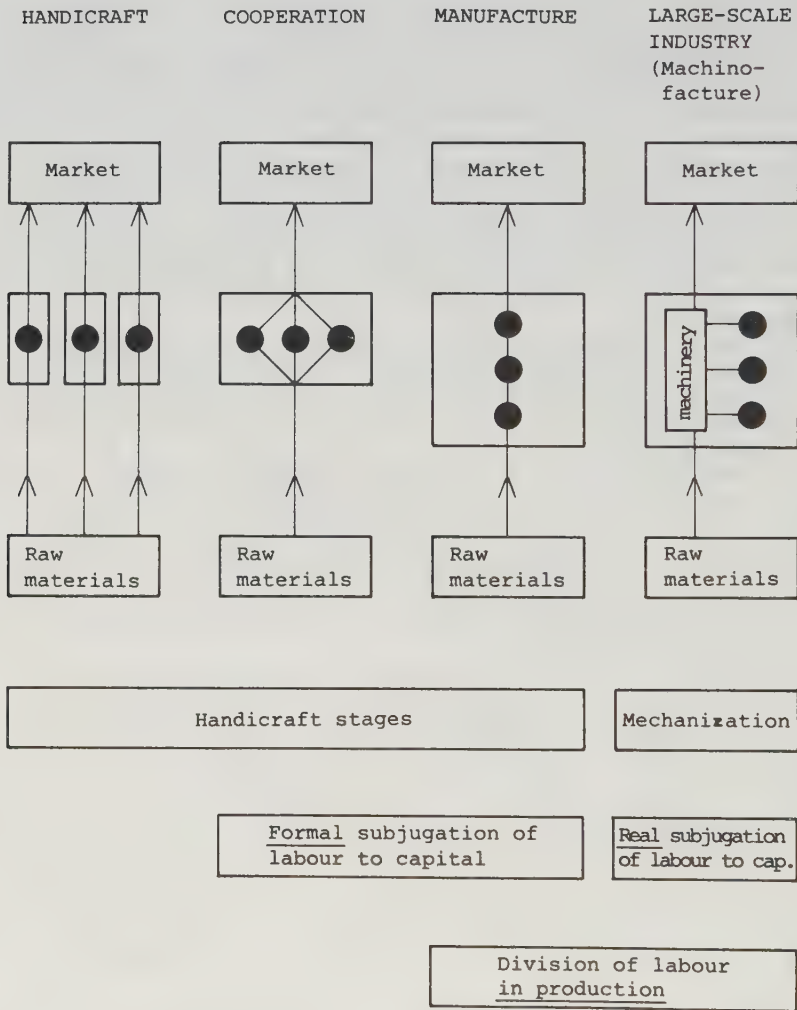
The concept "mode of production" (12) is applied to the combination of (I) the way men work with productive forces, and (II) a social way of production with reference to a) purpose of production; b) the form of surplus labour; and c) the mode of exploitation. With the concept mode of production Marx did not refer to the state of technology as such, but to the consequences of ownership of the means of production and what social properties the production process contained.

Firstly; On purpose the degree of market-integration is the measure on which the varieties between production for use and production for capital accumulation are conceived. The most common motivation-typologies are those based on production for use vs. exchange, of which self-subsistency and barter trade are well known examples. Exchange, however, exists on many "levels" so to say: Selling for money (exchange-value); whether for maximation purposes (usury capital/ merchants capital) or not. In a fully fledged capitalist economy the law of value is manifested in production for accumulation of capital valorization and "extra value is repeatedly used with a view to gain still more extra value."(13) When these last requirements have been satisfied we can then speak of a capitalist mode of production.

Secondly, the form of the producer's surplus labour (ex: labour rent, share-cropping, money rent, surplus value, profits) was considered by Marx as essential means to distinguish the various economic formations of society: "the distinction between for example a society based on slave-labour and a society based on wage-labour - is the form in which this surplus labour is in each case extorted from the immediate producer, the worker."(14)

Thirdly, the mode of exploitation rests on the two major ways of extracting surplus labour (no matter how the form of the surplus products is): Extra-economic coercion in which ideology and more or less open methods of violence are used, and economic coercion which is founded on selling and buying of "equal" parts as for example in capitalism. In the second case the exploitation is the result of economic pressure due to the workers' lack of means of production: it

Figure 3. Historical epochs of industrial organization; a typology.



is the socio-economic compulsion to sell one's labour-power (15) which constitutes this line of difference. Extra-economic coercion is on the other hand compatible with exploitation where the immediate producers are still not separated from their means of existence (f. ex. serfs).

If these three items listed above may be called a social mode of production the fourth property is the one which highlights the material aspects of production, the material mode of production. The material mode is probably the most well known typology principle of Marx which refers to periodization of the physical character of the labour process (or industrial organization): handicrafts, manufacture, and large-scale industry.(16) However, the material mode of production is possibly a very difficult operative theoretical framework for historical periodization although frequently used in the form of convenient labels. This brings us again pretty close to the main elements in the development of the productive forces (means of production and labour power).(Figure 3.)

Marx claimed that such broad historical epochs of industrial organization were definitely not empty of historical substance. The analysis of how industrial organization changed, did not only throw light on some key aspects of industrial growth, but explained them within a distinct institutional framework. Thus, the relationships and their changes in the production process were central in his thought. That such systems were the combined results of a gradual evolution of societies with no burdensome social frictions resulting from the cumulative changes in the production system was categorically denied, or as Maurice Dobb coined it:

"... what seems necessary to be implied in any conception of development as divided into periods or epochs, each characterized by its distinctive economic system, is that there are crucial points in economic development at which the tempo is abnormally accelerated, and at which continuity is broken, in the sense of a sharp change of direction in the current of events."(17)

In the Icelandic case, the speed of changes was not only striking as the development of the productive forces is concerned, but constituted a rapid social transformation in the period 1880-1930.

In contemporary discussions Marx's "model" has been a subject of a debate as an inadequate tool in concrete research. The so called "proto-industrialization" has gained widespread appreciation in both marxist and non-marxist circles. The adherents of this concept have complained that Marx's typology is a too narrow perspective to grapple with the complexities of rural production, in particular the periodic character in the use of labour. Without giving rise to distinctive manufacture production in the marxist sense it was nevertheless an organized production based on the use of rural raw materials and labour. When I prefer to use this term - as a complementary to the traditional usage of "manufacture" - the term "proto-factory" or "proto-industrialization" is applied to the casual or seasonal character of rural production primarily. In that sense the customary part-time fishing and curing as a subsidiary of farming was a "proto-industry".

Notes to Excursus.

1. Besides the formulations in Marx's works I have found of special interest such as G.A.Cohen: Karl Marx's theory of history. A defence; Jon Elster: Nytt perspektiv på økonomisk historie; B.Fine/ Harris: Rereading Capital; E.J. Hobsbawm's introduction to K. Marx's: Pre-capitalist economic formations; Maurice Dobb: Studies in the development of capitalism. What here is relevant is that Marx himself did not explicitly deal with the problem of economic epochs and periodisation. The result is an endless debate of either how Marx applied his categories concretely, or intended to. His treatment of the so called "pre-capitalist economic formations" illustrate the difficulties of periodisation since his formulations were not clear. And Hobsbawm concludes: "All the more reason why today the much-needed clarification of the Marxist view of historical evolution, and especially the main stage of development, should be undertaken." Hobsbawm's introduction to Karl Marx's: Pre-capitalist economic formations, p 65, passim.
2. Jon Elster: Nytt perspektiv på økonomisk historie, p 86, 89.
3. This book was first published in 1978.
4. G.A.Cohen: Karl Marx's theory of history. A defence, p 86.
5. Means of production are furthermore divided into instruments of production and raw materials.
6. "Labour power" is "the productive faculties of producing agents: strength, skill, knowledge, inventiveness, etc." Cohen, p 32.
7. Cohen adds "spaces" to the productive forces, more as a logical necessity than a force with particular content. He seems to mean "land" as a property consisting of both earth and the space above it. pp. 50-52, 55. Of other items which can promote production, such as appropriate laws, morals and governments (Aston) these can be dropped out without changes in the "material conditions of production" since "they are means not of production but of motivating producers." Cohen: *ibid.*, p 32.
8. *Ibid.*, p 30-31. This has frequently led to the pro forma acceptance of the productive forces as an exogene variable in Marx's theoretical framework, although it is recognized that both the relations of production (i.e. the economic structure) and the mode of production do affect the development of the (material) productive forces and social productivity. By referring to productive forces and social productivity as 'productivity in society' it is partly dependent on the (capacity) utilisation of the productive forces. Here, I disagree with Cohen's syllogism between the development of the productive forces and the levels of productivity in society.: "The productive power of a society is the power of its productive forces, working in optimal (my emphasis here, MSM) combination. The development of the productive forces is the growth of that power." Cohen: *op. cit.*, p 55. (The emphasis is mine).
9. F ex interregional exchanges of technology, spill-over effects, etc.
10. F ex labour migrations, spread of know-how and skills and other properties of the labourers.
11. The concept "ownership" means the framework of power in which production occurs and on which the economic structure depends,

when the totality (there among the dominant relation) of these relations is viewed. Cohen: op. cit. p 79.

12. I have referred to mode of production previously when it should be more appropriate to apply the term 'relations of production'. The reason why this is so is that in any case both belong to a definite economic epoch.
13. G.A.Cohen: op. cit. p 81.
14. K.Marx: Capital, vol 1, p 325.
15. See E.Mandel's introduction to K.Marx's Capital, vol. 2, p 47.
16. K.Marx: Capital, vol 1, p 385.
17. M.Dobb: Studies in the development of capitalism, p 11-12ff.

APPENDIX A.

The reclassified occupational categories and their places in the Icelandic population censuses 1855-1940.

Sources and methodology.

The classifications as they existed in the population censuses proved to be in a totally unsatisfactory form for the purposes of this study which was to analyse the registered work force in a long-term perspective. The population censuses were furthermore not constructed to critically examine the economic and occupational structure of the country. They were rather concentrated around the household, mainly the farming household and the status of each household member within it; the "household-head", the "dependants", and particularly in the 19th century: the "domestic servants" and the paupers. This explains partly the obscured economic role of the female work people in the 19th century and even in the 20th; in particular of the married female workers.

The underlying principle is the one which takes the functioning of the capitalist production system as a point of reference so far it is possible. It is a combination of the special characteristics of the Icelandic registration material with an organizing principle based on functional aspects of the capitalist circulation process. This is most apparent in the case of the "public services" where the role of the state is presented hopefully in a dynamic way. This is done by applying the terms of "production services", "circulation services", and "reproduction services" while keeping such definable categories such as "health" and "education" intact.

The 19th century censuses are in a way simpler because they contain relatively few occupational categories. There are primarily two things I have done in this respect: Firstly, the censuses are chained to the 20th century population censuses in spite of the great social changes which occurred around the turn of the century, partly reflected in the new occupation categories from 1901 and onwards, and secondly, the informations about the occupations by sex (the first in 1855) have been applied for a further detailed analysis of the various economic roles in the society. This has necessitated an elimination of the domestic servants "as such" from those which probably had more definite occupational tasks in relation to the household. This division went by tradition along the demarcation lines of sex; The female servants were "more" domestic servants than the male servants which are more frequently classified according to the occupation of the household-head. This means that the division by sexes within the household is included in the classification scheme presented here - in contrast to previous classifications.

Another problem must be mentioned here. The population censuses after 1840, with the census of 1901 as an important exception showed a clear distinction between farming and fishing. Even if it is known that this distinction is arbitrary we can draw some significant conclusions from these sources about social and economic realities; not the least from the census in 1901. It provides a unique category of those both in fishing and farming besides those exclusively belonging to any of the two. In order to preserve the continuity between the censuses the category of "fishing and farming" in 1901

was divided after many trials and errors. The final product is shown in the figures here below.

A list of population censuses used in Table A.1.:

Manntal á Íslandi 1. október 1855 (Folketællingen paa Island), in Meddelelser fra Det Statistiske Bureau, Fjerd Samling. København, 1858.

Manntal á Íslandi 1. október 1860 (Folketællingen paa Island), in Statistiske Meddelelser, 2. Række, 4. Bind. København, 1865.

Manntal á Íslandi 1. október 1880 (Folketællingen paa Island), in Statistiske Meddelelser, 3. Række, 6. Bind. København, 1883.

Manntal á Íslandi 1. nóvember 1890 (Folketællingen paa Island), in Statistiske Meddelelser, 3. Række, 12. Bind. København, 1892.

Manntal á Íslandi 1. nóvember 1901 (Folketællingen paa Island), in Statistiske Meddelelser, 4. Række, 14. Bind, 2. hæfte. København, 1904. See also Icelandic transl. in Landshagsskýrslur fyrir Ísland 1903, pp. 123-222. Reykjavík, 1904. (Table 5. 55 occupational categories).

Manntal á Íslandi 1. desember 1910. Reykjavík, 1913. (Table 15, pp. 94-109. 79 occupational categories).

Manntal á Íslandi 1. desember 1920. Hagskýrslur Íslands, 46a and 46b. Reykjavík, 1926-8. (Table 20, pp. 69-103. 130 occupational categories).

Manntal á Íslandi 2. desember 1930. Hagskýrslur Íslands, 92. Reykjavík 1937. (Table 20, pp. 80-115. 135 occupational categories).

Manntal á Íslandi 2. desember 1940. Hagskýrslur Íslands, 122. Reykjavík, 1949. (Table 15, pp. 76-127. 164 occupational categories).

* * *

Notes to Table A.1.

1. In 1855-90 the farming population includes domestic servants belonging to clergymen, and civil servants outside Reykjavík (then both sexes) and in Reykjavík (then only females).
2. Including 269+79=348 female domestic servants. The precise division in 1901 of the category "fiskveiðar og landbúnaður" (fishing and farming) is shown in the end of this appendix.
3. Including 2165 female domestic servants + 27 dependants.
4. Including 2990 female domestic servants + 154 dependants.
5. Includes 1378 female domestic servants.
6. Includes 1260 female domestic servants.
7. The female domestic servants are removed from the fisheries and placed in "Private services".
8. An effort to divide "fishing and farming" in 1901 is made in the end of this appendix.
9. This category consists of female supporters (framfærendur) in fishing (=800) and the group of cottagers (=520). See categories no. 14 and 16 in the population census.

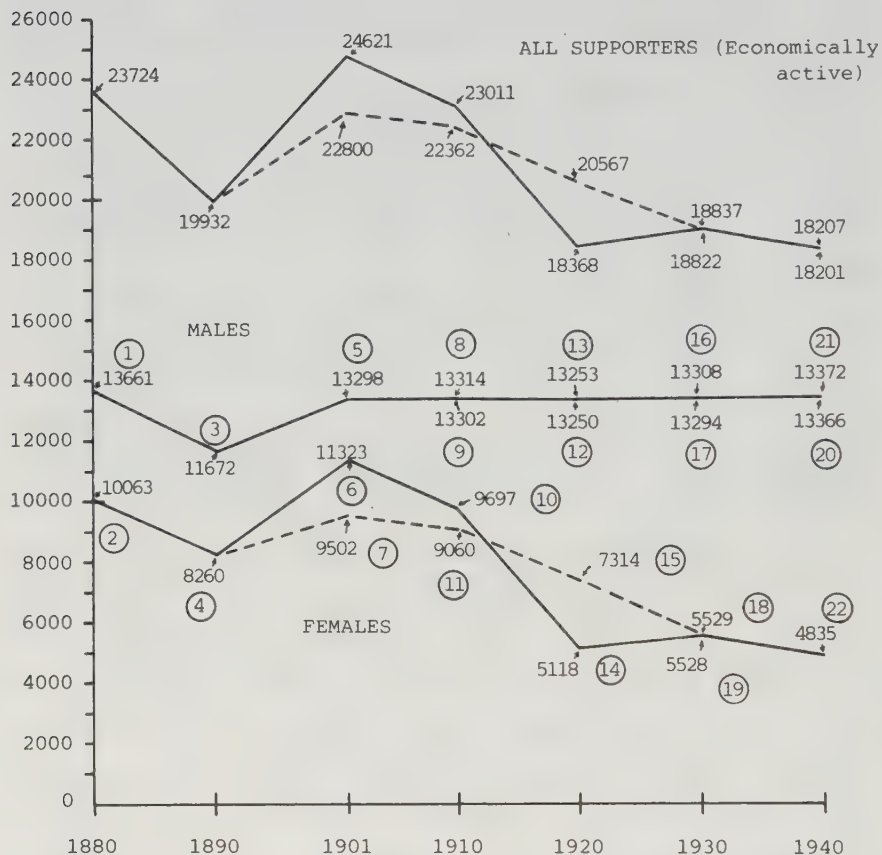
Table A.1. A classification scheme for the population censuses in Iceland 1855-1940.

	1855-1890	1901	1910	1920	1930	1940
FARMING	"Þeir, sem lifa á jarðarækt" ¹⁾	8-13 ²⁾	13-15, 17-19 ³⁾	18-20, 22-24, 30-31 ⁴⁾	1-3, 5-8, 14-15 ⁵⁾	1-8, 13-14 ⁶⁾
FISHING	"Þeir, sem lifa á sjávaræfi" ⁷⁾	(14-16) ⁸⁾	20, 22	25-27, 29	9-12	9-12
FISH PROCESSING:		(14-16) ⁹⁾	21	78-79, 28	13, 69-70	17-19, 26-27
MANUFACTURE, HANDICRAFTS & PRIVATE CONSTRUCTION:	"Íðnaðarmenn" ¹⁰⁾					
Food manufacturing:		17-18	16, 23-24	21, 32-38	16-23	16, 20-25, 28
Manufacture of textiles:		19	25	39-43	24-29	47-51
Manuf. of clothes, shoes, etc.:		20-23	26-29	44-46, 49	30-32	52-60
Construction excl. public constr.		24-25, 27, 28, 32	32-34, 36, 40	50-53, 55, 60, 63, 72	39-42, 45, 48, 51, 63, 115	15, 66, 68, 91-99
Ship building/rep.		26	35	54	47	76
Wood and furniture manufacture		30-31	37-38	56-57, 61-62	49-50, 52-54	34-37
Manuf. of metal prod. and machinery:		34, 36	43-45	67-69, 73	59-61, 65	70-75, 77-79
Printing & book making:		37	47-49	80-83	72-75	39-43
Technical and chem. manufacture:		-	-	59, 74, 76-77	56-57, 66, 68, 71	29-33, 38, 44
Miscellaneous manuf. industries:		29, 33, 35, 38, 1/4x47 ¹¹⁾	39, 41-42, 1/4x68 ¹²⁾	58, 65-66, 70-71, 84-85	46, 55, 58, 62, 64, 76	45-46, 64-65, 67, 69, 80-87
TRADE & COMMERCE:	"Veralunarmenn og gestgjafar" ¹³⁾					
Trade:		39-41	51-57	86-99	77-90	107-121
Banking & insurances:			42	58-59	100-101	91-93, 122-124
TRANSPORTS:						
Ship administration:		45	65	106	98 (a&b)	101 (a&b)
Pilots and crews:		46	66	107	99	102
Car and land transp.:		44	63	113	97	100
Dock workers, unclassified workers, etc.		3/4x47 ¹⁴⁾	3/4x68 ¹⁵⁾	109 (c), 114	102, 98 (c)	105, 101 (c)
PRIVATE SERVICES:	See note 16)					
Restaurants & hotels:		43	60-61	102-103	94-95	125-26
Cleaning services:		48	30-31, 69 ¹⁷⁾	47-48, 64, 115-116	33-34, 43, 125-126	127-30
Expedite services:		5	8, 62	8-9, 112	119-120	151
Domestic services: ¹⁸⁾		1-55 ¹⁹⁾	70	117, 119	122-123	131
Arts, culture, cinemas, etc.		7	11	10, 14, 16, 17	112-113, 116-18, 121	132-34, 142-45, 152-53
PUBLIC SERVICES:	Veraldlegir og geistlegir emb.m. og emb.lausir vísindamenn.					
Ecclesiastic occupations:		1	1-2	1-2	109	146
Administration:		3-4	5-7	5-7	103-105	147-150
Education:		2	3-4	3-4	110-111	140-141
Health services:		6	9-10	11-13	106-108	135-137
Production services: ²⁰⁾		-	46	75	4, 35-38, 67	61-3, 88-90
Circulation services: ²¹⁾		-	64, 67	104-5, 108, 109 (a&b), 110-111	96, 100-1	103-4, 106
Reproduction services: ²²⁾		-	70 ²³⁾	118, 120	44, 124	138-39
UNSPECIFIED OCCUPATIONS:	"Ótilgræind atvinna".	55	79	129-30	135	164
Non-working "supporters" (Proprietors, public receivers, students, etc.) ²⁴⁾		49-54	12, 71-78	15, 121-8	114, 127-34	154-63

Note: The occupational categories are enlisted according to the numeralizations in respective tables in the period 1901-1940.

10. The female domestic servants are removed and placed in "Private services" while 25% of "Daglaunamenn" (day-work labourers) are added to manufacture (though not their few domestic servants).
11. Added are 25% of the labourers in the group "Ýmisleg minni háttar störf" These approximations are discussed in Manntalið 1910, on page 163, and furthermore in Manntalið 1920, pp. 36*-37*.
12. Of the group "Daglaunamenn án aðgreiningar" ("Ýmisleg þjónustustörf" (VI)) 25% are placed in manufacture (grjótvinna, vegavinna og önnur byggingastörf). See sources in the previous note.
13. Female domestic servants are removed and placed in "Private services" while 75% of "Daglaunamenn" (day-work labourers) are added to the commercial activities (though not their few domestic servants). It should be noted that in the 19th century "Transports" are included.
14. 25% of labourers in the group "Ýmisleg minni háttar störf" are placed in transports, according to Manntalið 1910, p. 163.
15. 75% of the group "Daglaunamenn án aðgreiningar" (Ýmisleg þjónustustörf" (VI)) is placed in transports in accordance with Manntalið 1920, pp. 36*-37*.
16. "Private services" include all female domestic servants outside farming, plus male servants of day-work labourers, unspecified occupations and not economically active groups (pensioners, students, etc.), and male servants of clergymen and civil servants in Reykjavík.
17. A final distinction of the services is made for 1910 on the basis of additional information in Manntalið 1910, p. 184. (34+1 public service people against 5807+76 in private service here). In Reykjavík the domestic servants in farming (=22 females) and public service (1 male + 6 females) are subtracted.
18. All domestic servants in farming are excluded from "Private services"
19. In 1901 all domestic servants outside farming are placed in this category (1939 minus 348 (in groups 8-13 & 15) = 1591).
20. Production services include investment projects such as electricity, roads, harbours, lighthouses, hydrogene power plants, etc.
21. Circulation services include the running of telephone service, postal service, harbour administration, lighthouse keeping, etc.
22. Reproduction services include maintaining means of recreation such as parks, garbidge cleaning, and various low graded public services.
23. The estimation for Reykjavík is: 1 male + 6 females and no dependant.
24. Only the domestic servants in this category belong to the economically active and the remaining classified as "supporters" in the category are by definition excluded.

Figure A.1. The economically active population ("supporters") by sexes in the farming sector 1880-1940.



Note: The whole line in the figures (—) shows the population in respective categories according to the unsystematized tables while the broken line (---) shows the population after the reclassification. Furthermore, the numbers in the circles refer to the explanations in the Notes to Figures A.1.-A.4. here below.

Figure A.2. Dependants by sexes within the farming population 1880-1940.

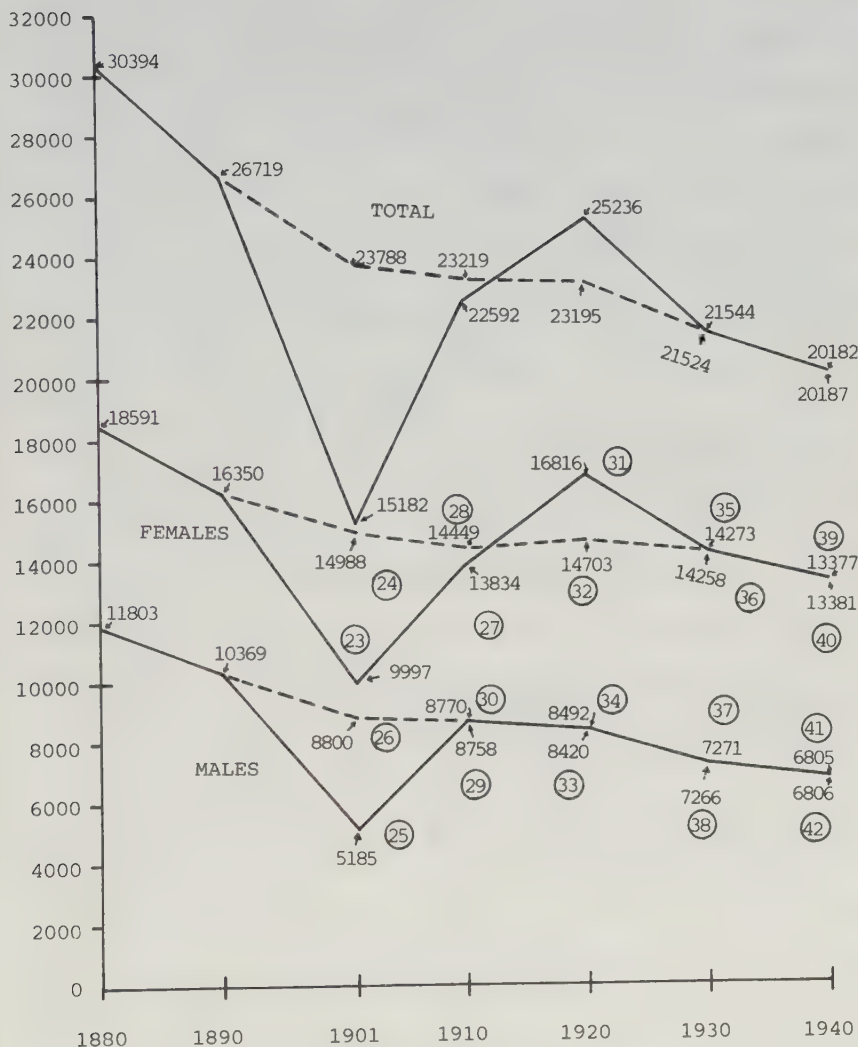


Figure A.3. Economically active population ("supporters") in the fishing sector 1880-1920.

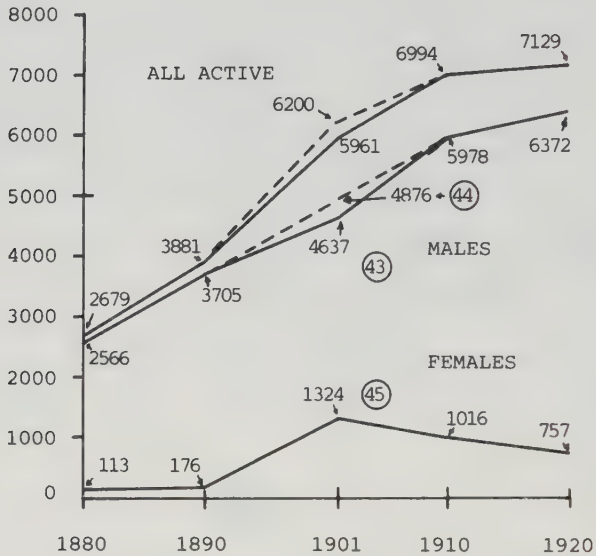
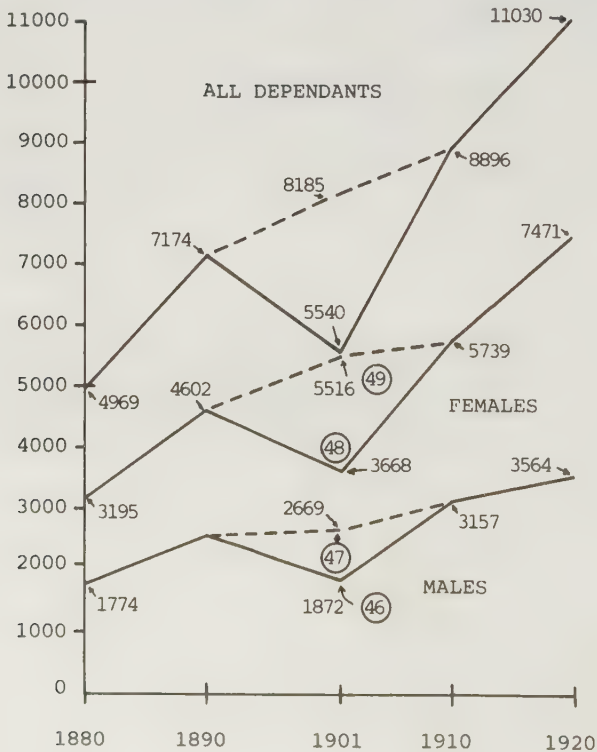


Figure A.4. Dependants within the fishing population 1880-1920.



Notes to Figures A.1.-A.4.

1. Male farmers and domestic servants + male servants of the learned classes outside Reykjavík (6536+6645+480=13661).
2. Female farmers (828) and domestic servants (8641) + all females in service of the learned classes (594) = 10063.
3. Male farmers (5883) and dom. servants (5398) + male servants of the learned classes outside Reykjavík (391) = 11672.
4. Female farmers (570) and dom. servants (7160) + all females in service of the learned classes (530) = 8260.
5. Male farmers (5453) and farm hands (7845) = 13298. These figures are not altered.
6. Female farmers (1024), farm hands (10030) and dom. servants (269) = 11323.
7. Female farmers (1024), farm hands (8130), and dom. servants (269+79) = 9502. These are altered figures.
8. Male farmers (5715), farm hands + assistants (7599) = 13314.
9. Male farmers (5715), farm hands + assistants (7587) = 13302. Altered figures.
10. Female farmers (350), farm hands (7067), assistants (115) and dom. servants (2165) = 9697.
11. Female farmers (350), farm hands (6430), assistants (115) and dom. servants (2165) = 9060. Altered figures. The major adjustment is that 600 females (mainly unmarried and widows 60 years or more) in group c of farm hands are removed and placed among dependants. See Manntalið 1910, Table 13, p. 56.
12. Male farmers (6290), farm hands and assistants (6960) = 13250.
13. Male farmers (6290), farm hands and assistants (6963) = 13253. Altered figures.
14. Female farmers (356), farm hands (1768), assistants (4) and dom. servants (2990) = 5118.
15. Female farmers (356), farm hands (3968), assistants (0) and dom. servants (2990) = 7314. Altered figures. The major adjustment is that 2200 unmarried females 16-59 years old are taken from the group of "dependants" to economically active farm hands (c). See Manntalið 1920, Table XXIII, p 118.
16. Male farmers (6255), farm hands and assistants (7053) = 13308.
17. Male farmers (6264), farm hands and assistants (7030) = 13294.
18. Female farmers (365), farm hands (3786) and dom. servants (1378) = 5529.
19. Female farmers (365), farm hands (3785) and dom. servants (1378) = 5528. Altered figures.
20. Male farmers (6465), farm hands and assistants (6901) = 13366.
21. Male farmers (6465), farm hands and assistants (6907) = 13372. Altered figures.
22. Female farmers (431), farm hands (3144) and dom. servants (1260) = 4835. Unaltered figures.
23. Female dependants of farmers (9534) and assistants (463) = 9997.
24. Female dependants of farmers (14206) and of assistants (782) = 14988. These are altered figures where 1900 farm hands are converted into dependants (see notes 6 and 7) and furthermore 3091 dependants arrive from the category "fishing and farming".
25. Male dependants of farmers (4825) and assistants (360) = 5185.
26. Male dependants of farmers (8400) and of assistants (400) = 8800. The additional dependants (3615) arrive from the category of "fishing and farming".

27. Female dependants of farmers (12622), of employees in group b (=37) and farm hands in group c (=1175) = 13834.
28. Female dependants of farmers (13222), of employees in group b (=37), and of farm hands in group c (=1190) = 14449. The difference from the population census consists in 600 females previously registered as "supporters" (see note 11) and of 15 dependants of domestic servants (See Manntalið 1910, p 56.) The total difference is henceforthly 615.
29. Male dependants of farmers (7985), of employees in group b (=31), of farm heads in group c (=742) = 8758.
30. See note 29, but added by 12 dependants of dom. servants which makes a total of 8770.
31. Female dependants of farmers (15903), of employees in group b (=86) and farm hands in group c (=827) = 16816.
32. Female dependants of farmers (13703), of employers in group b (=87), of farm hands in group c (=829), and dom. servants (84) = 14703. The difference from the population census consists in a reduction of 2200 registered "dependants" and unmarried females which are considered to belong to the ec. active farming population (see note 15). Furthermore, there are added 84 (approximately) female dependants of dom. servants (while the remaining 70 are males).
33. Male dependants of farmers (7973), of assistants in group b (=34), and farm hands (413) = 8420.
34. Male dependants of farmers (7973), of assistants in group b (=34), of farm hands (415), and dom. servants (70, which is a fair approximation) = 8492.
35. Female dependants of farmers (13573), of assistants in group b (=90), and farm hands (610) = 14273.
36. Female dependants of farmers (13578), of assistants in group b (=80), and farm hands (600) = 14258. Altered figures.
37. Male dependants of farmers (6960), of assistants in group b (=44), and farm hands (267) = 7271.
38. Male dependants of farmers (6963), of assistants in group b (=37), and farm hands (266) = 7266. Altered figures.
39. Female dependants of farmers (12824), of assistants in group b (=70) and farm hands (483) = 13377.
40. Female dependants of farmers (12824), of assistants in group b (=71), and farm hands (486) = 13381. Altered figures.
41. Male dependants of farmers (6541), of assistants in group b (=38), and farm hands (226) = 6805.
42. Male dependants of farmers (6541), of assistants in group b (=39), and farm hands (226) = 6806. Altered figures.
43. Male household heads in categories 14 and 16 (2072) and assistants (2565) = 4637.
44. Male household heads (1546), and assistants (3330) = 4876. The difference from the population census implies that 239 work people in the category "fishing and farming" have been added.
45. Female household heads (4) and assistants (1320) = 1324.
46. Male dependants of fishermen heads (1406) and assistants (466) = 1872. (According to the population census).
47. Male dependants of fishermen heads (958) and assistants (1711) = 2669. Altered figures. The difference of 797 males arrives from the category "fishing and farming".
48. Female dependants of fishermen heads (2810) and assistants (858) = 3668.

49. Female dependants of fishermen heads (1898) and assistants (3618) = 5516. The difference consists of 1848 females arriving from "fishing and farming".

- - -

When all necessary adjustments have been performed with regard to both fishing and farming the category "fishing and farming" has played the role of a residual in the following way:

	Fishing	Farming	"Fishing and farming" originally
Male supporters	239	0	3216
Male dependants	797	3615	1435
Female supporters	0	79*)	2189**)
Female dependants	1848	3091	2829
Total	2884	6785	9669

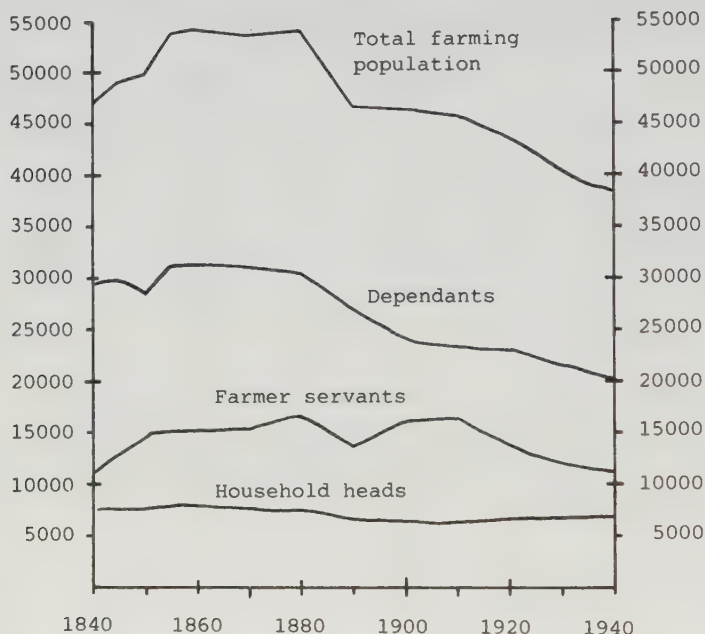
*) Female domestic servants. **) Including female dom. servants.

As the reader remarks the category "fishing and farming" has practically been plundered of economically active people while both fishing and farming have been filled up with dependants. In other words, the economically active population according to the 1901-census, was highly overrated and thereof the dependants were underrated.

APPENDIX B.

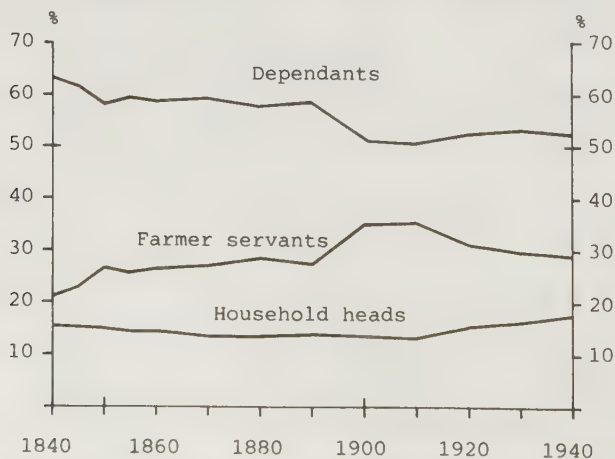
Extra figures and tables to Ch. 6: Occupational division, socio-economic structure and female work in Reykjavík and Iceland 1855-1940.

Figure B.1. Division of the farming population by household status, 1840-1940. (Absolute figures)



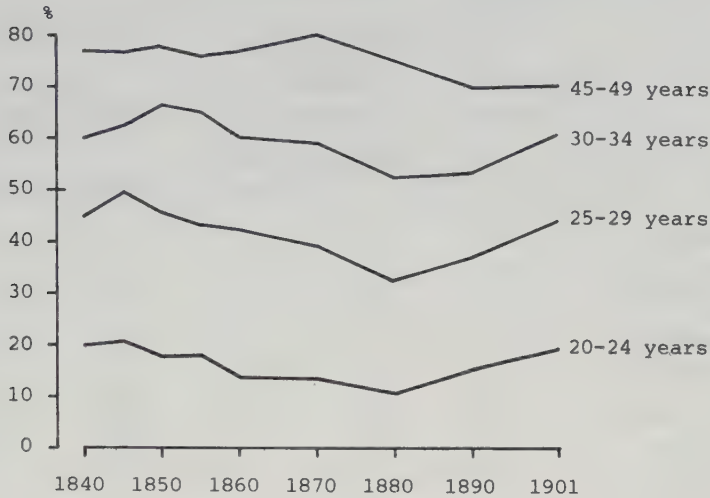
Sources: The Population censuses for respective years

Figure B.2. The division of the farming population in Iceland by household status, 1840-1940. (Per cent)



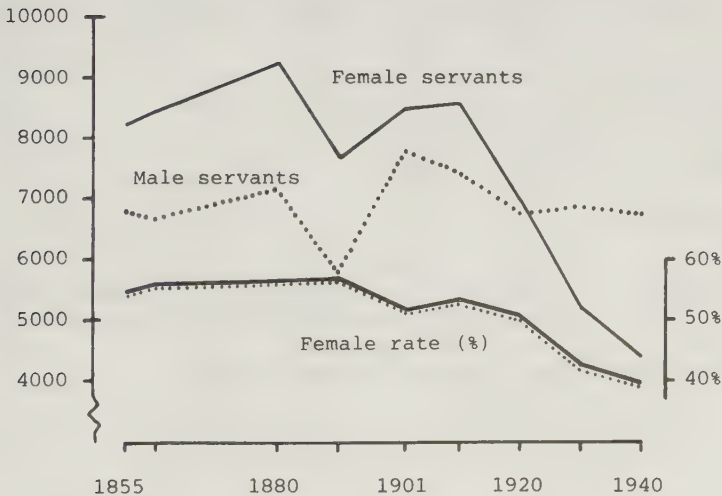
Sources: The Population censuses for respective years.

Figure B.3. The age specific rate of married women in Iceland, 1840-1901.



Source: The Population censuses of Iceland.

Figure B.4. The number of farming servants by sexes, and the female rate (%), 1855-1940.



Sources: The Population censuses for respective years.

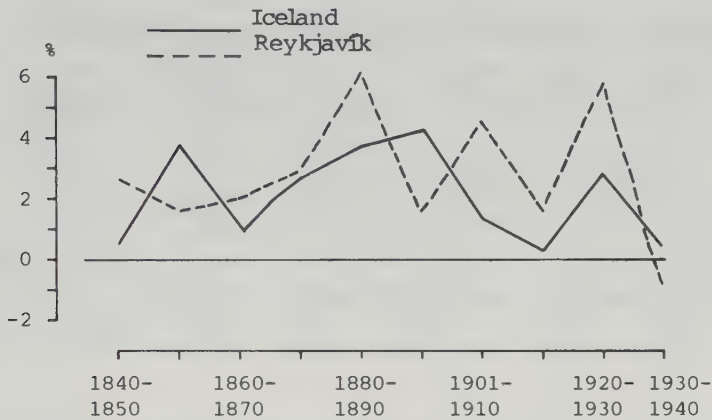
Table B.1. The population by economic activity of household head by districts in 1703 (Per cent), and the servants/farm-heads ratio, 1840-1890.

Districts	1703			1840-1890	
	Farming only	Farming with fishing in		The ratio farm-servants/farm-heads:	
		summer	summer+ winter	1880	1840-1890
Gullbringusýsla	5	-	95	2.17	1.70
Kjósarsýsla	60	7	33	1.99	1.69
Borgarfjarðarsýsla	70	11	19	1.55	1.42
Mýrasýsla	88	7	5	2.53	1.88
Hnappadalssýsla	91	7	2	2.93	2.57
Snæfellsnessýsla	27	7	66	3.05	2.79
Dalasýsla	94	6	-	2.31	2.31
Barðastrandasýsla	47	46	7	1.93	1.76
Ísafjarðarsýsla	51	27	22	2.09	1.64
Strandasýsla	34	66	-	1.86	1.59
Húnavatnssýsla	85	15	-	1.63	1.60
Skagafjarðarsýsla	87	13	-	2.48	2.04
Eyafjarðarsýsla	88	12	-	2.44	1.96
Þingeyjarsýsla	77	23	-	1.60	1.41
Norður-Múlasýsla	67	33	-	-	-
Suður-Múlasýsla	48	52	-	1.89	1.57
A-Skaftafellssýsla	90	10	-	2.20	1.73
V-Skaftafellssýsla	100	-	-	-	-
Vestmannaeyjar	-	-	100	-	-
Rangárvallasýsla	100	-	-	-	-
Arnessýsla	88	-	12	-	-
Total:	69	15	16	1.95	1.85
Dairy-cattle/person (Cow-unit):	0.54	0.38	0.30		
Ewes/person (in cow-units):	0.67	0.47	0.16		
Cow-units, total:	1.21	0.85	0.46		

Sources: Skýrslur um landshagi á Íslandi; Hagskýrslur Íslands (Mannatalið 1703), II, 21; The population censuses of Iceland 1840-90 (see Appendix A).

Note: One "cow-unit" equals 6 ewes, or "one hundred".

Figure B.5. Yearly per cent changes of the labour force in the fishing sector (incl. both catching and fish processing), 1855-1940.



Sources: The Population censuses of Iceland.

Table B.2. Economically active in fish processing: males/females, 1910-1940. Iceland and Reykjavík.

Year	Males	Females	Total	The female ratio	% of all ec. active females in Reykjavík	Rate of female concentr. to R-vík
<u>Iceland</u>				%	%	%
1910	226	1010	1236	81.7		
1920	732	744	1476	50.4		
1930	1480	1449	2929	49.5		
1940	1589	876	2465	35.5		
<u>Reykjavík</u>						
1910	30	187	217	86.2	17.6	18.5
1920	138	119	257	46.3	17.4	16.0
1930	195	416	611	68.1	20.9	28.7
1940	148	91	239	38.1	9.7	10.4

Source: The Population censuses of Iceland, 1910-1940.

Table B.3. Yearly changes of the labour force in the two sub-groups in the fishing sector: fisheries and fish processing, 1901-1940. (Per cent)

<u>Year</u>	<u>Iceland</u>			<u>Reykjavík</u>		
	<u>Catching</u>	<u>Fish processing</u>	<u>Total</u>	<u>Catching</u>	<u>Fish processing</u>	<u>Total</u>
1901-10	+1.84	-0.72	+1.33	+4.65	+4.53	+4.62
1910-20	-0.15	+1.78	+0.22	+1.50	+1.71	+1.56
1920-30	+1.53	+7.03	+2.92	+4.58	+9.05	+5.81
1930-40	+1.16	-1.71	+0.36	+0.21	-8.96	-1.99

Source: The Population censuses of Iceland, 1901-40.

Table B.4. Socio-economic groups in the fishing sector, 1910-1940. Iceland and Reykjavík.

<u>Iceland</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
<u>Fishing only:</u>				
Employers	9.6	13.9	11.7	11.5
Functionaries	2.4	15.3	13.2	13.6
Ordinary seamen	88.0	70.8	75.1	74.9
Total:	100.0	100.0	100.0	100.0
<u>Fishing/f.proc.</u>				
Employers	7.9	11.1	8.3	9.6
Functionaries	1.9	14.0	9.3	10.2
Ordinary seamen	90.2	74.9	82.4	80.2
Total:	100.0	100.0	100.0	100.0
<u>Reykjavík</u>				
<u>Fishing only</u>				
Employers	1.1	4.9	2.1	3.3
Functionaries	7.8	26.4	20.2	24.9
Ordinary seamen	91.1	68.8	77.6	71.8
Total:	100.0	100.0	100.0	100.0
<u>Fishing/f.proc.</u>				
Employers	0.9	3.8	1.8	4.1
Functionaries	5.9	23.1	13.8	21.0
Ordinary seamen	93.2	73.1	84.4	74.9
Total:	100.0	100.0	100.0	100.0

Source: The population censuses of Iceland.

Table B.5. Socio-economic groups within the fleet categories as defined in the population censuses 1920-1940: Iceland and Reykjavík.

	Iceland			Reykjavík		
	1920	1930	1940	1920	1930	1940
<u>Trawlers</u>						
Employers	3.0	0.7	0.9	2.9	0.5	0.7
Functionaries	25.8	21.6	24.7	28.5	25.4	29.0
Ordinary seamen	71.2	77.7	74.4	68.6	74.1	70.3
Total:	100.0	100.0	100.0	100.0	100.0	100.0
<u>M.vessels/boats</u>						
Employers	13.2	13.9	13.2	5.0	4.6	7.4
Functionaries	20.2	10.9	11.2	29.3	9.6	18.1
Ordinary seamen	66.6	75.2	75.6	65.7	85.8	74.3
Total:	100.0	100.0	100.0	100.0	100.0	100.0
<u>Rowing boats</u>						
Employers	18.3	30.4	29.9	20.6	33.3	*)
Functionaries	5.6	10.0	11.2	3.2	4.2	*)
Ordinary seamen	76.1	59.6	58.9	76.2	62.5	*)
Total:	100.0	100.0	100.0	100.0	100.0	-

*) Not significant figures.

Sources: The Population censuses of Iceland

Table B.6. The distribution of the fishing population by regions according to the population censuses, 1840-1890.

	1840	1860	1880	1890
	%	%	%	%
Reykjavík	10.4	9.6	12.1	13.1
Gullbringu- and Kjósarsýsla	42.5	48.0	40.4	32.6
Reykjavík/Gullbringu/Kjósars	52.9	57.6	52.5	45.7
Árness/Rangárv/Vestmannaeyjar	8.0	7.0	11.8	8.6
Borgarfj/Mýra/Snæf/Dalasýsla	29.2	19.2	11.5	11.0
Barðastr/Ísafj/Strandasýsla	5.8	10.0	12.8	17.3
Húnavatnss/Skagafjarðarsýsla	-	0.1	1.3	2.3
Eyjafjarðars/Pingeyjarsýsla	3.8	3.8	4.4	7.8
Norður- and Suður Múlasýsla	2.7	1.3	5.7	7.3
Total	100.0	100.0	100.0	100.0
Total in absolute numbers (=N)	3773	6200	8688	12401

Source: The Population censuses of Iceland.

Note: Figures in Table B.6. are directly taken from respective population censuses NB!

Table B.7. Economically active in manufacture by branches (not including fish processing and public construction), 1901-1940. Iceland and Reykjavík. (Per cent).

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Food manufacturing	3	5	7	11	11
Manufacture of textiles	5	8	10	6	10
Manufacture of clothes, shoes, etc.	28	27	24	16	23
Construction (excl. public constr.)	27	28	38	38	23
Ship building and repairing	2	1	2	2	3
Wood and furniture manufacture	2	1	3	6	6
Manuf. of metal prod.& machinery	10	5	7	10	12
Typography and book-making	5	5	5	6	7
"Technical"/chemical manufacture	-	-	1	1	2
Miscellaneous manuf. occupations	<u>18</u>	<u>19</u>	<u>4</u>	<u>4</u>	<u>4</u>
Total:	100	99	101	100	101
Manufacture total (numbers):	2177	3355	4398	5348	7394
<u>Reykjavík</u>					
Food manufacturing	5	5	9	12	12
Manufacture of textiles	3	6	6	5	6
Manufacture of clothes, shoes, etc.	29	27	22	17	23
Construction (excl. public constr.)	29	26	37	32	20
Ship building and repairing	1	2	2	1	2
Wood and furniture manufacture	1	2	5	8	7
Manuf. of metal prod.& machinery	7	5	6	11	13
Typography and book-making	6	7	7	7	9
"Technical"/chemical manufacture	-	-	1	2	3
Miscellaneous manuf. occupations	<u>18</u>	<u>19</u>	<u>5</u>	<u>4</u>	<u>5</u>
Total	99	99	100	99	100
Manufacture total (numbers):	747	1342	2177	3046	4658

Source: The population censuses of Iceland.

Table B.8. The division of the economically active population in manufacture by socio-economic groups: Iceland; Reykjavík; Iceland except Reykjavík, 1901-1940. (Per cent).

Reykjavík:	1901	1910	1920	1930	1940
Employers/small producers	40	24	19	20	15
Non-manuals	-	1	6	3	5
Manual workers	60	75	75	77	80
Total:	100	100	100	100	100
Iceland excl Reykjavík:					
Employers/small producers	73	42	40	37	27
Non-manuals	-	1	3	2	2
Manual workers	27	57	57	61	71
Total:	100	100	100	100	100
Iceland (total)					
Employers/small producers	61	35	29	27	19
Non-manuals	-	1	5	3	4
Manual workers	39	64	66	70	77
Total:	100	100	100	100	100

Sources: The population censuses of Iceland.

Table B.9. The female labour force in manufacture and fish processing, 1901-1940.

Iceland	1901	1910	1920	1930	1940
Females in fish processing	1320	1010	744	1449	876
% of all F. outside agric.	28.2	14.3	11.4	16.5	8.8
Females in manufacture	590	1055	1241	1075	2348
% of all F. outside agric.	12.6	15.0	18.9	12.2	23.8
Total	1910	2065	1985	2524	3224
%	40.8	29.3	30.3	28.7	32.6
Reykjavík					
Females in fish processing	145	187	119	416	91
% of all F. working in R.	12.2	8.3	4.5	9.5	1.7
Females in manufacture	175	391	575	680	1633
% of all F. working in R.	14.7	17.3	21.6	15.5	29.6
Total	320	578	694	1096	1724
%	26.9	25.5	26.1	25.0	31.3
Iceland, but not Reykjavík					
Females in fish processing	1175	823	625	1033	785
% of F. outside Reykjavík	33.6	17.2	16.1	23.4	17.9
Females in manufacture	415	664	666	395	715
% of F. outside Reykjavík	11.9	13.9	17.2	8.9	16.3
Total	1590	1487	1291	1428	1500
%	45.5	31.1	33.3	32.3	34.2

Note: Relative numbers include only non-farming occupations.

Source: The population censuse of Iceland

Table B.10. The division of the female work force in manufacture and handicrafts by branches, 1901-1940. Iceland and Reykjavík. (Per cent)

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Food processing	2	3	5	11	13
Weaving	12	25	26	22	20
Clothing/Textiles	72	60	65	58	54
Other industries	14	12	4	9	13
Total:	100	100	100	100	100
<u>Reykjavík</u>					
Food processing	2	3	9	13	17
Weaving	9	20	19	17	13
Clothing/Textiles	69	66	64	58	52
Other industries	20	11	8	12	18
Total:	100	100	100	100	100

Source: The Population censuses of Iceland

Table B.11. The female ratio in selected manufacture branches, 1901-1940. Iceland and Reykjavík. (Per cent of workers only)

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Food processing	17	22	20	21	39
Weaving	65	91	79	71	65
Textile/Clothing	69	69	72	72	75
Total in manufacture:	27	31	28	20	32
<u>Reykjavík</u>					
Food processing	9	15	26	25	48
Weaving	75	90	83	78	73
Textile/Clothing	56	70	76	77	79
Total in manufacture:	23	29	26	22	35

Table to be read: For every 100 employed in food processing (Iceland) 17 women were employed in 1901; 22 in 1910, etc.

Source: The Population censuses of Iceland

Table B.12. The labour force in manufacture and handicrafts by sexes in the 1920s. Iceland and Reykjavík.

		1920	1930	Changes from 1920 in %
Iceland:	Men	3157	4273	+35.4
	Women	1241	1075	-13.4
	Total	4398	5348	+21.6
Reykjavík	Men	1602	2366	+47.7
	Women	575	680	+18.3
	Total	2177	3046	+39.9

Source: The population censuses of Iceland.

Table B.13. Trade/Commerce and Transports by socio-economic groups, 1901-1940. Iceland and Reykjavík.

Trade/Commerce				Transports		
<u>Iceland</u>	(a)	(b+c)	a/ (b+c)	(a)	(b+c)	a/ (b+c)
1901	197	444	1:2.3	24	1043	1:43.5
1910	366	856	1:2.4	21	1505	1:71.7
1920	595	1511	1:2.5	73	1807	1:24.8
1930	707	2524	1:3.6	212	2614	1:12.3
1940	713	3288	1:4.6	231	3335	1:14.4
<u>Reykjavík</u>						
1901	55	127	1:2.3	11	404	1:36.7
1910	119	377	1:3.2	8	633	1:79.1
1920	284	711	1:2.5	31	834	1:26.9
1930	378	1539	1:4.1	114	1368	1:12.0
1940	437	2054	1:4.7	93	1909	1:20.5

Explanatory note: (a)=Employers; b+c=functionaries+workers;
a/ (b+c)=The employers-employee ratio.

Source: The population censuses of Iceland.

Table B.14. Participation of economically active females in Commerce and transports combined, 1901-1940. Iceland and Reykjavík.

	Iceland		Reykjavík
	Including farming %	Excluding farming %	Excluding farming females %
1901	2.0	6.0	10.5
1910	3.3	7.5	10.5
1920	3.7	8.0	10.9
1930	6.8	10.7	15.1
1940	8.4	12.4	15.3

Table to be read: For every 100 ec. active women in Iceland in 1901, incl. farming, 2.0 were working in commerce or transports; with farming excluded they were 6.0, resp. 10.5 for Reykjavík.

Source: The population censuses of Iceland.

Table B.15. The female work force in commerce and transports, 1901-1940. Iceland and Reykjavík.

<u>Iceland</u>	(1)	(2)	(3)	(4)	(5)	(6)
1901	56	0.4	224	1.6	8.7	21.0
1910	213	1.3	318	2.0	17.4	20.8
1920	432	3.1	92	0.6	20.5	4.9
1930	914	6.4	26	0.2	28.3	0.9
1940	1187	8.1	39	0.3	29.7	1.1
<u>Reykjavík</u>						
1901	17	1.4	108	9.1	9.3	26.0
1910	136	6.0	102	4.5	27.4	15.9
1920	278	10.4	14	0.5	27.9	1.6
1930	642	14.7	17	0.4	33.5	1.1
1940	808	14.7	32	0.6	32.4	1.6

Explanatory notes:

- (1) All females in commerce;
- (2) Females in commerce as % of all economically active females in Iceland or Reykjavík;
- (3) All females in transports;
- (4) Females in transports as % of all economically active females in Iceland resp. Reykjavík;
- (5) The female proportion in commerce;
- (6) The female proportion in transports.

Source: The population censuses of Iceland.

Table B.16. Economically active persons in private services by branches, 1901-1940.

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Restaurants/hotels	5.2	3.5	7.4	6.8	11.9
Cleaning services	.0	3.4	7.2	12.0	14.0
Expedite services	.0	.5	1.9	1.4	1.1
Arts, culture, cinemas...	2.3	1.0	2.0	4.5	9.5
Domestic services	<u>91.7</u>	<u>91.6</u>	<u>81.4</u>	<u>75.3</u>	<u>62.6</u>
Total:	100.0	100.0	100.0	100.0	100.0
N=	1735	3976	3506	4664	4773
<u>Reykjavík</u>					
Restaurants/hotels	3.9	5.1	10.2	8.9	14.7
Cleaning services	0.9	7.6	12.5	17.0	18.3
Expedite services	.0.9	1.0	3.4	2.2	1.5
Arts, culture, cinemas...	3.3	2.1	3.1	6.4	13.0
Domestic services	<u>91.0</u>	<u>84.2</u>	<u>70.8</u>	<u>65.5</u>	<u>52.5</u>
Total:	100.0	100.0	100.0	100.0	100.0
N=	647	1347	1610	2456	2740

Source: The Population censuses of Iceland

Table B.17. The female ratio in private services by branches, 1901-1940. Iceland and Reykjavík. (Per cent)

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Restaurants/hotels	52.2	63.1	47.3	74.3	76.8
Cleaning services	-	79.9	87.0	84.5	80.7
Expedite services	-	-	6.0	17.5	20.8
Arts, culture, cinemas...	12.2	10.8	18.3	17.6	21.0
Domestic services	<u>100.0</u>	<u>99.9</u>	<u>99.9</u>	<u>99.9</u>	<u>99.5</u>
Average total:	94.7	96.6	91.6	91.5	85.7
<u>Reykjavík</u>					
Restaurants/hotels	68.0	78.9	54.9	73.5	76.3
Cleaning services	-	82.9	87.1	84.2	82.1
Expedite services	-	-	7.3	20.8	26.2
Arts, culture, cinemas...	9.5	10.3	20.0	15.7	24.2
Domestic services	<u>100.0</u>	<u>99.5</u>	<u>100.0</u>	<u>100.0</u>	<u>99.1</u>
Average total:	94.0	94.3	88.1	87.8	81.8

Table to be read: For every 100 working in the the Restaurants/-hotels branch in Iceland 52,2 were women in 1901; 63,1 in 1910 and so on.

Sources: The population censues of Iceland.

Table B.18. The work force in public services by sub-groups, 1901-1940. Iceland and Reykjavík. (Per cent).

<u>Iceland:</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Ecclesiastic occupations	22.3	13.6	9.6	5.3	4.2
Administration	14.2	8.2	12.8	12.0	14.6
Education	32.1	39.3	27.1	20.1	18.1
Health services	31.4	25.8	21.3	14.7	17.8
Production services	-	0.8	1.6	25.1	32.2
Circulation services	-	9.3	20.0	15.2	11.2
Reproduction services	-	3.0	7.7	7.5	1.8
Total:	100.0	100.1	100.1	99.9	99.9
N=	739	1145	1512	2974	4732
<u>Reykjavík:</u>					
Ecclesiastic occupations	7.5	7.8	5.3	3.1	2.3
Administration	25.8	16.7	27.1	19.5	18.6
Education	42.5	42.7	23.1	17.7	12.0
Health services	24.2	16.7	14.1	14.1	17.0
Production services	-	2.4	0.6	20.7	38.8
Circulation services	-	11.3	22.1	16.9	9.7
Reproduction services	-	2.4	7.6	8.0	1.6
Total:	100.0	100.0	99.9	100.0	100.0
N=	120	293	524	1290	2738

Sources: The Population censuses of Iceland.

Table B.19. The female ratio in public services by sub-groups, 1901-1940. Iceland/Reykjavík. (Per cent)

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Ecclesiastical services	3.6	6.4	15.9	8.3	27.4
Administration	-	5.3	8.8	7.8	14.5
Education	30.0	37.6	37.6	33.7	36.4
Health	76.7	76.6	70.5	65.5	72.7
Production services	-	-	-	0.8	1.7
Circulation services	-	27.1	32.1	33.6	31.4
Reproduction services	-	88.2	93.1	80.4	(-)
Average total:	34.5	41.0	41.4	29.2	26.9
<u>Reykjavík</u>					
Ecclesiastical services	22.2	13.0	64.3	20.0	49.2
Administration	-	6.1	10.6	9.1	16.5
Education	45.1	44.8	39.7	43.4	39.6
Health	51.7	65.3	62.2	70.3	76.3
Production services	-	-	-	2.2	1.9
Circulation services	-	39.4	37.1	32.6	24.2
Reproduction services	-	85.7	87.5	71.8	4.4
Average total:	33.3	38.6	39.1	31.7	25.1

Source: The population censuses of Iceland.

Table B.20. The female work force in public service by sub-groups, 1901-1940. Iceland and Reykjavík. (Per cent)

<u>Iceland</u>	<u>1901</u>	<u>1910</u>	<u>1920</u>	<u>1930</u>	<u>1940</u>
Ecclesiastical services	2.4	2.1	3.7	1.5	4.3
Administration	-	1.1	2.7	3.2	7.8
Education	27.8	36.0	24.6	23.4	24.5
Health	69.8	48.2	36.3	33.0	48.2
Production services	-	-	-	0.7	2.0
Circulation services	-	6.2	15.5	17.5	13.0
Reproduction services	-	6.4	17.3	20.7	0.2
Total:	100.0	100.0	100.1	100.0	100.0
N=	255	469	626	869	1275
<u>Reykjavík</u>					
Ecclesiastical services	5.0	2.7	8.8	2.0	4.5
Administration	-	2.7	7.3	5.6	12.2
Education	57.5	49.6	23.4	24.2	19.0
Health	37.5	28.3	22.4	31.3	51.7
Production services	-	-	-	1.5	2.9
Circulation services	-	11.5	21.0	17.4	9.3
Reproduction services	-	5.3	17.1	18.1	0.3
Total:	100.0	100.1	100.0	100.1	99.9
N=	40	113	205	409	686

Source: The population censuses of Iceland.

APPENDIX C.

The cost-of-living estimations 1860-1940. Sources and measurements.

In this appendix the various information, statistical and "conventional", has been compiled in order to provide at least a rough indication of the cost of living in Reykjavík in the second half of the 19th century to 1940. The eighty years here concerned are divided into three parts, due to both principal reasons and regard to the types of statistical sources. These periods are: 1860-1898, 1898-1914, and 1914-1940.

In these periods great shifts occurred in the pattern of consumption. Hence, the baskets of consumables and other necessities of life used here are three different approximations. This means in practice that three cost-of-living deflators are used for this purpose.

A well known result of the modernization process was the tendency of the household's food-consumption ratio to decline. The problem, however, is the difficulty of estimating the major components of a family budget (housing, fuel, clothes and shoes, etc), since the first objective investigation of the standard of living for a given group of working people was performed in 1939-40.(1) Previously, or in 1922, an official cost-of-living budget was planned by The Statistical Bureau for a family of five persons in Reykjavík. Since price data were sampled since the First World War the Bureau was able to construct an index from July 1914. The present study can therefore not use any quantifiable information of how people spent their income. This study presents approximated outlay for the period 1898-1914 in the same way as the main components in the inter-war period. In the 19th century, however, we consider only the food consumption because of the lack of sources.

Another feature which coincided with the transitional period was the increasing import of consumables, such as cereals, coffee, sugar and other groceries, but also of textiles, shoes, etc. Table C.1. shows the impact of the growing dependency of Iceland on the overseas trade, especially in the second half of the 19th century.

Table C.1. The imports to Iceland of selected articles 1816-1896/1900.
(Per capita)

Article	1816	1849	1865-7	1896-1900
Cereals (kg.)	33.6	50.4	73.1	100.0
Coffeebeans (kg.)	0.1	2.5	3.7	5.4
Sugar (kg.)	0.1	2.3	3.9	14.9

Sources: Skýrslur um landshagi á Íslandi I-V; Landhagsskýrslur fyrir Ísland.

The available statistical sources indicate that the greatest shift occurred after 1870, which is not unreasonable. Apart from the generally prospering era in the fourth quarter of the 19th century the international prices of the articles imported to Iceland were falling. This implied that the prices (terms of trade) of imported groceries became relatively more favourable for the consumers than the more traditional domestic animal products (i.e. meat, butter, etc., but not tallow).(2) It should be noted that these price movements

were partly a result of reduced (ocean) freight-rates in international trade.

The period 1860-1898.

The deflator in Reykjavík for this period is based on two different statistical sources: Firstly, the assessed market price scales (verðlagsskrár) for the relevant commodities (five articles), and secondly, the retail prices of imported goods (three articles) according to the sampled information from the merchants.(3) The food-price index is therefore based on 8 categories in total.(Table C.2.)

Table C.2. Annual food consumption of one person in Reykjavík 1860-1898.

	1860	1870	1880	1890	1898
Rye (90 kg. = 1 barrel)	17.52	18.00	18.90	14.17	13.61
Coffee (4 kg.)	2.68	2.67	3.52	4.56	3.80
Sugar (10 kg.)	10.40	10.00	9.80	7.20	4.75
Butter (5 kg.)	6.10	5.80	6.50	6.60	6.20
Milk products (=200 lts.)*	28.06	26.68	29.90	30.36	28.52
Tallow (30 pds.)	14.70	11.10	11.40	12.00	9.60
Salted fish (79,36 kg.)	19.08	20.22	19.19	24.60	19.30
Mutton (=1 ewe)	11.31	10.19	12.31	13.90	10.41
Imported goods	30.60	30.67	32.22	25.93	22.16
Index (1898 = 100)	138.10	138.40	145.40	117.00	100.00
Domestic products	79.25	73.99	79.30	87.46	74.03
Index (1898 = 100)	107.10	99.90	107.10	118.10	100.00
Total expenditures (kr.)	109.85	104.86	111.52	113.39	96.19
Index (1898 = 100)	114.20	108.80	115.90	117.90	100.00

*) Equals the value of 46 pds. of butter (milk, curds, liquid whey, etc.)

Sources: The assessed market price scales: Lovsamling for Ísland; Skýrslur um landshagi á Íslandi; Stjórnartíðindi. The imported goods: Skýrslur um landshagi á Íslandi; Stjórnartíðindi.

The food composition in the table is a compromise between a variety of scattered sources and is restricted to the poorer layers of people in Reykjavík. The most critical point here is probably the high consumption of "milk products" besides the butter. Frequently it was complained in Reykjavík and other urban areas that fresh milk was unobtainable and that both adults and children consumed abnormal quantities of coffee.(4) Milk products are here used as a label for alternative milk-substitutes. Since no price-index existed for the "milk products" the butter-prices were instead used as indicators.

The weighted index shows that the average food-prices in Reykjavík were rising since 1860, and did not decline until the 1890s. By using the year 1898 as a base (=100) the given quantity cost 114 in 1860, 109 in 1870, 116 in 1880 and 118 in 1890. This trend did not

follow exactly the European "pattern" in the second half of the 19th century. The English wholesale prices reached a peak level in 1873 (=148) compared with the base year (1900=100) while the lowest prices went down to 80 in 1896. A similar development occurred in Denmark although the decline between the maximum (1874) and the minimum (1896) was less; or 31% for Denmark and 46% for England respectively. If the period 1870-1898 is considered, the prices in Iceland fell with 8,1% compared with 10,6% in Denmark and 33,6% in England. The price index is partly a function of the composition of the commodities in the basket.

The imported articles became 27% cheaper between 1870 and 1898. The moderate cheapening of the whole basket results from the high ratio of domestic consumables in the index, although imports increased to constitute ca 40% of the food consumption in Reykjavík.

The period 1898-1914.

Before this period is discussed it should be mentioned that after I had written this section an article by Torfi Ásgeirsson was published dealing with the price development of this period. (5) He utilized as I did the material from the Leprosarium in Reykjavík (Holdsveikraspítalinn í Laugarnesi) and his findings were surprisingly similar to those of mine. The slight difference is due to different selection of consumables and necessities. Furthermore, the purpose of our studies differed. While my investigation concerned the cost-of-living in Reykjavík T.Ásgeirsson was primarily occupied with the price development in general in order to deflate estimations of Iceland's National Production from 1900.

Here, the statistical basis for the indices 1898-1914 is partly derived from food prices according to the accounts of the Leprosarium, published for the period 1897/98-1912. Also the contemporary but scanty articles about the price development in this period are used mainly to provide further information not available elsewhere, and moreover for critical examination in cases of inconsistencies and empirical and ideological biases as well. (6)

The independent index 1898-1913 is finally chained to the base year (1914) by calculating a 1914-index on this reconstructed pre-war basis. The index consists of 5 components, including "miscellaneous" (6 after 1914): Food, housing, clothes and shoes, fuel and lighting, and "miscellaneous". The following table presents the effects of the components on the price indices in terms of pre-war and inter-war compositions. The difference is not great. The food component is slightly higher in the pre-war basis, but much lower than the components which G.Myrdal and L.Jörberg used in their respective studies of the 19th century. (7) The applied food component used here is based on a weighted index of 25 articles.

It should be noted that the "miscellaneous" component is directly dependent on the total average, so we are practically dealing with four "real" components. The last component was originally constructed by the Director of the Icelandic Statistical Bureau (in 1922). The estimation here for the period 1898-1914 (12.7%) is made to be consistent with the inter-war period price index, and to enable the reader to make his own conclusions. However, the indices and price movements are not affected by these estimations/elaborations. Table C.4. presents the main indices of the price development of the four main categories in Reykjavík 1898-1914. It indicates that the cost of

living in Reykjavík rose from 72 in 1898 to 100 in 1914 (July) which is a 39% rise, or about 30% rise since the turn of the century.

Table C.3. The estimated cost-of-living components in Reykjavík, and some selected Scandinavian components. (%)

	The Leprosarium (M.S.M.) 1898-1914	Statist. Bureau (P.P.) 1914-40	Myrdal 1805-69	Jörberg 1869-1914
Food	48.94	47.00	83.3	81.4
Housing rent	10.77	16.70	-	-
Clothes, shoes	18.17	15.20	11.9	14.8
Fuel, lighting	9.42	5.40	4.8	3.8
Miscellaneous	12.70	15.70	-	-
Total	100.00	100.00	100.0	100.0

Sources: see note (8)

Table C.4. The cost-of-living index in Reykjavík, 1898-1914, according to the major components. (1914=100)

Year	Food	Clothes and Shoes	Housing rent	Fuel and lighting	Cost of living index
1898	73	85	48	85	72
1899	74	86	51	72	73
1900	77	86	54	93	77
1901	77	87	57	77	76
1902	74	88	60	72	75
1903	77	88	63	77	77
1904	77	89	66	73	77
1905	80	90	69	70	80
1906	81	90	72	69	81
1907	82	91	75	83	82
1908	85	92	78	77	85
1909	86	92	81	71	86
1910	85	93	84	71	85
1911	84	94	87	70	85
1912	90	94	90	79	91
1913	-	-	-	-	-
1914	100	100	100	100	100

Sources: Landshagsskýrslur fyrir Ísland, 1912, pp. 357-411; Þorsteinn Þorsteinsson: "Verðbreytingar síðustu ára" in Tímarit Lögfræðinga og hagfræðinga, 1923, pp. 64-96

It should be remarked that the food prices followed surprisingly well the average index in this period: and that the food price information was the most reliable of all the components.

Housing rent was rapidly rising in this era. The housing demand exceeded the supply in spite of increased construction of houses. Hence, the rental costs were an ever increasing portion of the wage-earner's income until the 1930s. In contrast to the practice

today the majority of the population in Reykjavík had its homes in rental apartments, at least prior to World War II. (9)

In a larger perspective the prices rose in Reykjavík only slightly faster than in Denmark, or 39% and 32% respectively, between 1896 and 1914. If by considering the food composition in terms of origin (domestic vs. imported products) in this era, about 41% were imported (mainly groceries) while 61% remained domestic. (10)

A few comments concerning the pre-war studies of the price development in Iceland.

In the article "The Price of money in Iceland" ("Peningaverðið á Íslandi" (11) Indriði Einarsson (IE) examined the price changes in Iceland with regard to three years 1850, 1901 and 1907. His estimations included both domestic and imported goods as well; clothing, housing costs and services estimated to equal 24 day-works. IE also made an extra effort to integrate the assessed market price scales (verðlagsskrár) by calculating the average prices of 14-15 articles (also for 1830). In a study which I performed independently of IE's for the whole period 1820-1914 (12) the result was almost identical:

Table C.5. The weighted average "ell" for selected years (Vegðið meðalverð á alín).

Year	Weighted average ell	
	I. Einarsson	M. Magnússon
1830	25	26
1850	30	31
1901	50	51
1907	60	60

Sources: See notes (11) and (12) of this appendix.

Naturally IE does not without reservation apply the old market price scales alone, but adds imported articles in order to estimate the major tendencies of the cost of living. In total the items were 15; 7 imported and 8 domestic.

IE's selection of goods and services deserves a criticism; the composition obviously was to meet the needs of a high salaried state official rather than an ordinary labourer. Coffee and sugar were abundant, and so was the tobacco, the wine and the meat consumption. The pattern of consumption is based on the year 1907 which makes the comparison with 1850 (or actually 1849) pointless. The sugar consumption in 1850 is therefore absurdly high (22,5 kg.) Not only the high price of this article discredits this amount, but the low import figures do so as well (See Table C.1.) The sugar imports per capita in 1850 were only 1/10 of what they became half a century later. This shows how important it is to choose suitable base-years for the calculation of a cost of living; in particular when the composition of goods has changed.

In the second half of the century the cost of living (food, clothes, housing) - according to IE - rose by 64%, which equals 1%

annual inflation. A further investigation shows that the food prices rose by 39% or 0,7% annually. However, the domestic and imported components moved very differently; the price of the home-produced goods rose by 117% or 1,5% annually while the imported goods stayed unchanged.

Between 1901 and 1907 the prices went up much faster; the general index by 25% or 3,8% annually; the food by 27% or 4,1% annually. The prices of the old "average ell" and the major domestic products (landaurar) rose slower (20% and 15% and annually 3,1% and 2,4% respectively).

As previously shown - on the basis of sources which were not available to IE then - the rising prices of food were exaggerated. They were approximately 8% instead of 27%. In general the actual price rises were (much) slower than imagined by I.E., who tended to dramatize the supposed by worsening situation of himself and his colleague officials in the period which preceded WWI.

Table C.6. The price changes in Iceland 1850, 1901 and 1907 according to Indriði Einarsson. (1901=100)

Year	Imported food	Domestic food	Food (tot.)	Food, clothes housing	Selected Icelandic products	Average ell
1850	100	46	72	61	60	60
1901	100	100	100	100	100	100
1907	119	134	127	125	115	120

Source: Indriði Einarsson: Peningaverðið á Íslandi, pp. 125-39

Finally, for a long-term account of the price changes in the second half of the 19th century, the years are selected when the prices were "fairly" near the lowest points of the long waves (1850 and 1901) while in 1907 the prices were unusually high.

A few years after writing his article IE got the opportunity to investigate more thoroughly the prices during the period 1898-1912, mainly on the basis of the accounts of the Leprosarium in Reykjavik. It must, however, be claimed that IE failed to take advantage of these sources, probably in order not to discredit his previous findings and to justify again the line argued that the real wages of public officials had fallen markedly since the turn of the century at least. The food prices - according to IE - rose by 45,6% in the period 1898-1912 and his cost of living estimations by 43,3% which turned out to equal an annual inflation of 2,7% and 2,6% respectively.

In Table C.7. I have presented the results of my own calculation so that the reader can easily see the difference. It should be noted that Einarsson's cost-of-living index is a combination of the accounts of the Leprosarium and his own estimations, especially about housing costs, clothing, and some other items of less importance. Some of his estimations are, with some modifications, included in my calculations, such as clothing and to a certain degree housing.

The most noteworthy difference is 23% for food stuffs and 17% for the total cost of living. This great difference rests on IE's inconsequent calculations of food prices, by adding to, and therefore

changing the food-basket itself for the year 1912. He simply added some unspecified items into the category "Ýmislegt (annað til matar)"

Table C.7. The price changes in Iceland 1898-1912, according to Indriði Einarsson. (1898=100).

Year	Food	House rent	Services	Clothes and shoes	Cost of living	Imported food component
1898	100	100	100	100	100	100
1912	145,6	200	148	111	143,3	122-5
1912 (MSM)	123	188		111	126,3	

Source: See note 13.

which was an increase by eight times and the share of this component rose from 2,6% to 15% of the food-basket in the period. If IE had been more consequent the food-index would have risen by 27% (instead of 45,6%) which is pretty close to the 23% of mine.(14) This would have reduced the estimated cost of living considerably. Probably IE had the result of his article in 1908 in mind when he prepared the new findings in 1913. By providing consequent results in the later study the 17% price rises would obviously discredit the results of the article in 1908 which showed 27% price increase in the period 1901-07 alone. The inflationary years between 1907 and 1912 had to be explained somehow if the idea - that the real wages of the public servants were successively deteriorating - was to be defended.

Finally, IE drew the logical conclusion that all wage-earners - the dayworkers, the craftsmen and the salaried public servants which had nothing to sell but their labour-power - were facing deteriorating real wages. Compared with his estimations of 43% inflation between 1898 and 1912 the workers' wage-rates rose by only 20% which equalled 17% lower real wage-rates. I have, however, drawn the conclusion that in terms of hourly wages the situation was at large unchanged.

In the recent study "Labour servants in the 19th century" (Vinnuhjú á 19. öld), Guðmundur Jónsson came to a very different result from IE. He drew into doubt IE's estimations that the inflation between 1875 and 1898 was 15-20%, which is not supported by the assessed market price scales (verðlagsskrár) that Jónsson utilized for indicating the cost of the necessities of life. The prices in the period 1880-1905 did not change significantly and if something they fell.(15)

The wage indices used by G.Jónsson are not taken from the market price scales but from scattered sources showing rather unprecisely defined wages of labour servants during summer. According to his sources, these wages rose rapidly and the real wages rose successively after 1875.(16) IE, on the contrary, concluded that the real wages deteriorated all the time.

Although these authors did not write in the same terms the contradicting results deserve that this problem is investigated further.

The cost of living 1914-1939.

In 1915 a decision was taken to systematically sample detailed information about the main necessities of life. In order to base the changes on a fairly stable basis the prices were retrospectively sampled by the Statistical Bureau from July 1914, i.e. right before WWI. With some modifications the cost-of-living index was permanently presented by the Statistical Bureau of Iceland dating 1914 (July) as a base. The bureau sampled in Reykjavík the retail-prices of 53 food articles after some had been removed from the basket. To this were added 6 other articles which were considered essential, such as soap, coal, fuel oil, and caustic soda". Assembled from 40 retail shops a simple price-average was calculated and thereafter the articles in the whole basket were calculated unweighted in order to constitute an index of prices. This method, which undeniably had serious statistical defects, was modified in 1922 and broadened to include housing costs, clothing and taxes.

In 1922 the director of the Statistical Bureau, Þorsteinn Þorsteinsson, constructed a budget for a family of 5 to evaluate the cost of living since 1914. The composition of the outlay of this family was supported by similar efforts in the Nordic countries. The first actual Icelandic study of this kind was performed in 1939. In 1922 the available information about housing costs, clothing and taxes was therefore based on weak foundations. In a Nordic perspective the result was the following in ca. 1914:

Table C.8. The main components of the cost of living in 1914 in a Nordic perspective.

	Iceland		Sweden	Norway	Denmark
Food	846.34	47.0%	43.7%	48.0%	47.5%
Clothes, shoes	272.99	15.2	11.0	12.7	13.5
Fuel, lighting	92.20	5.4	4.9	5.2	5.0
Housing	300.00	16.7	15.0	15.6	14.2
Taxes	54.75	3.0			
Other outlays	228.72	12.7	25.4	18.5	19.8
	1800.00	100.0	100.0	100.0	100.0

Source: Þorsteinn Þorsteinsson: Verðbreytingar síðustu ára. Tímarit lögfræðinga og hagfræðinga, 1923.

The result shows a rather slight difference between the Nordic countries, but the comparison shows that clothing and housing were relatively expensive in Iceland.

On the basis of this pattern of expenditures the cost of living in Iceland was estimated annually in the inter-war period. In the beginning the index did only slowly gain approval among the major groups on the labour market. This was partly the natural by-product of the low level of institutionalization on the labour market, but that is not a sufficient explanation. Some of the wage-contracts which were made after 1919 relied on other price indices than those published by the Statistical Bureau. In short, there were a few price indices existing simultaneously, especially between 1919 and 1926. Nevertheless the majority of price indexation

was mainly concentrated to the period 1919-23, or to the twilight of the turn from rapid inflation (1919-20) to the beginning of the deflationary era afterwards.

It was widely admitted that the inflation which soared in 1919-20 necessitated a yardstick of some kind to measure the price level. The argument that the high-inflation had to be compensated by rising wage-rates of workers (and monthly wages too) overruled all other arguments. The situation of the state employers deteriorated in this respect. In 1919 a group of employers agreed to raise the unskilled workers' wages of Dagsbrún's members on the foundation of a negotiated selection of consumables. Wage indexation was an important defensive measure against deteriorating real wages, although the yardstick was unprecise. However, the employers were eager to apply the indexation of wages when it was to their advantage. Against this background the birth of the modern cost-of-living index in Iceland was a welcomed addition to the employers' arsenal of arguments for wage reductions in the years of deflation right after.

As a technical supervisor in long-lasting wage disputes between the typographers and their employers the director of the Statistical Bureau constructed the aforementioned cost of living index, in 1922 and it was expected to attain a fairly neutral position between the partners on the labour market.(17) Sadly, this construction had one serious defect which undermined very soon the credibility of the index; especially among the wage earners, which turned out to be the losers in the long run. This is not said to defame the good intentions of the director (P.P.) who constructed it, but all the same the weak spot, or component, was the housing cost. The error was fatal; the actual cost of building (vísitala byggingarkostnaðar) was utilized as a yardstick of apartment renting in Reykjavík. Unfortunately the particular social circumstances in Reykjavík made this assumption unrealistic; the two factors moved most of the inter-war period into opposite directions (See Figure C.1.). Hence, the modification of the cost-of-living index in the inter-war period is made here to provide a better index of what the director intended to, and to improve the estimations of what the working class in Reykjavík - most of them living in rental houses - had to pay for their necessities.

Since the majority of the dwellers in Reykjavík lived in rental apartments I considered it worth the effort to revive the cost-of-living index on the basis of available information about the actual housing rent in the inter-war period.(Table C.9.)

Table C.9. The proportion of rented apartments in Reykjavík, 1914-40.

Year	1914	1920	1928	1930	1940
Apartments of all (%)	70	68	65		61

Sources: The population censuses in Iceland, 1920, 1930 and 1940; The housing investigation in Reykjavík 1928.

The first reliable information about rented housing in Reykjavík is in the population census taken in 1920. In the article published in 1923 P.P. estimated the housing rent 1914-20 as a synthesis of the

newly constructed building-cost index and some general conclusions drawn from preliminary knowledge about rental housing in the town. The result was that in the period 1914-20 the rent was assumed 50% of the increases in the cost of building which in 1920 had reached 497 and therefore the housing rent became then 198 points (1914=100). The average rent at that time for a apartment with 3 rooms and a kitchen was 73 krónur according to the population census in 1920. Another source showed 73,85 krónur.(18) In the years after 1920 building costs fell while housing rent continued swiftly upwards (see figure C.1.). Quite arbitrarily the director (ÞÞ) assumed that in 1922 the building cost and housing rent had reached parity (=339 points) with respect to 1914. After 1922, as earlier mentioned, the housing cost was indicated with the cost of building index and consequently included in the index which expressed the cost of living in Reykjavík. The gap between the two housing indices widened again so that in 1928 the building cost went down to 271 points while the rent increased to 433 points.

This discrepancy forced the Statistical Bureau to revise the indices. According to the population census taken in 1930 the comparable housing rent was 1380 krónur (=460 points) which constituted a new base for the continued calculations. In the 1930s the rent went down (300 points in 1939) while the cost of building rose and affected the cost-of-living index consequently.

In an article published in 1958 (19) Einar Benediktsson (EB) pointed to these inherent inconsistencies in the housing component. In 1930 the housing component suddenly jumped from 20,4% to 30,4 % of the total cost-of-living index. In retrospect this difference was spread over the years 1923-30 on the basis of the knowledge provided in the 1930-census, and the investigation in Reykjavík 1928.(20) This revision implied that in 1930 the housing cost (and the cost of living) was brought into conformity with the actual rental costs in Reykjavík. It was nevertheless decided by the Statistical Bureau to calculate the succeeding years with the old method which applied the building costs. We noted that it proved to be a failure.

In the revision published in 1958 EB saw no reason to preserve the usual housing cost component as it had been constructed, but he did not bother to construct a new one to replace it. The result was an "index of consumables" (vísitala neysluvörüverðlags) and the problem of cost-of-living index was circumvented for practical reasons. The purpose was to construct a deflator for the national product primarily. But for every effort to analyse the social history in this period - in Reykjavík at least - the problem of housing expenditures could not be swept under the carpet.

Finally, the index of housing costs which has been adopted here is based on a sample of information of renting 3-room apartments in the years 1917-22, 1928, 1930, and 1939.(21) Other years in the inter-war period have been estimated through interpolation. The assembly of various contemporary sources leave no doubt that the rental market in main parts confirms the revised version of the housing component.

To take only one concrete example; it was agreed among seamen and their employers that - compared with the base year (1914=100) - the index of housing rent should stay at 445 points in 1925-26.(22) Then the index of building cost showed only 300 points.

Figure C.2. shows that the greatest deviations occurred in the periods 1920-28 and ca. 1933-39. (By using the crude contemporary

indices of building costs in the 1920s the discrepancy would have been still greater.)

Table C.10. The main components (adjusted) of the cost of living index in Reykjavík 1914-1939.

	juli	%	okt	%	okt	%	okt	%	okt	%	okt	%
	1914		1919		1924		1929		1934		1939	
Food	846	47.0	2898	45.7	2578	42.2	1890	41.2	1552	39.3	1660	33.9
Clothing	273	15.2	951	15.0	319	15.1	589	12.8	534	14.8	809	18.9
Housing	300	16.7	749	11.8	1326	21.7	1340	29.2	1140	28.8	900	21.1
Fuel	97	5.4	519	8.2	284	4.2	188	4.1	181	4.6	193	4.5
Taxes	55	3.0	466	7.3	278	4.5	64	1.4	61	1.5	199	4.6
Miscell.	229	12.7	759	12.9	720	11.8	521	11.3	435	11.0	511	12.0
Tot. exp.	1800	100.0	6342	100.0	6105	100.0	4592	100.0	3953	100.0	4272	100.0

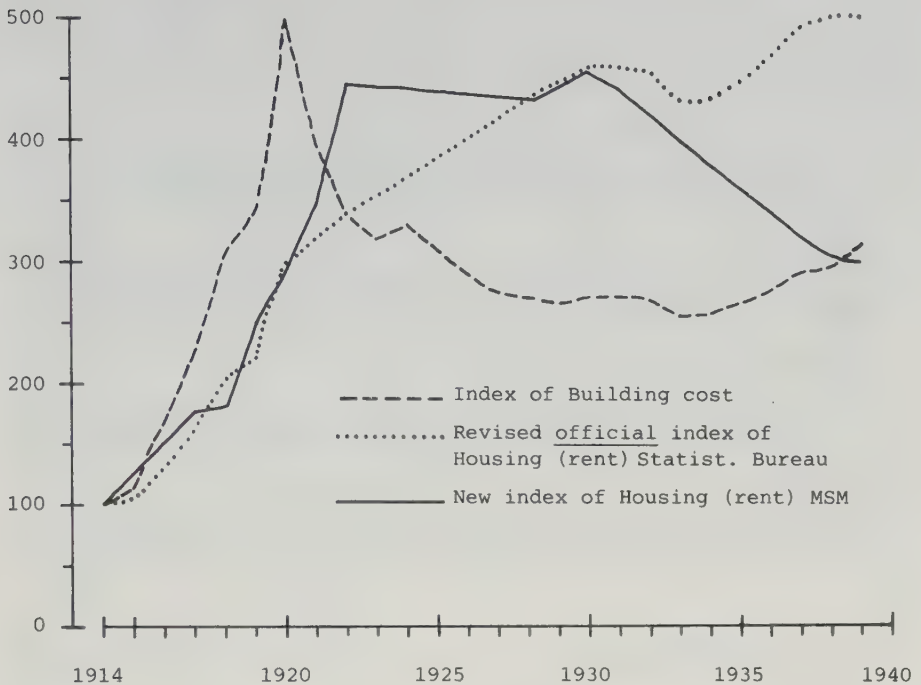
Sources: See note 23.

In Table C.10. the total expenditures are presented quinquennially. The distinguishing characteristic is the well known phenomenon of reduced expenditures on food, besides the steeply rising housing expenditures, especially in the 1920s. Compared with 16,7% in 1914 housing absorbed 29,2% in 1929. The launching off a housing project for the workers in the 1930s was one of the factors which relieved the pressure on the housing market in Reykjavík. Housing in 1939 absorbed 21% of the workers' budget then.

* * *

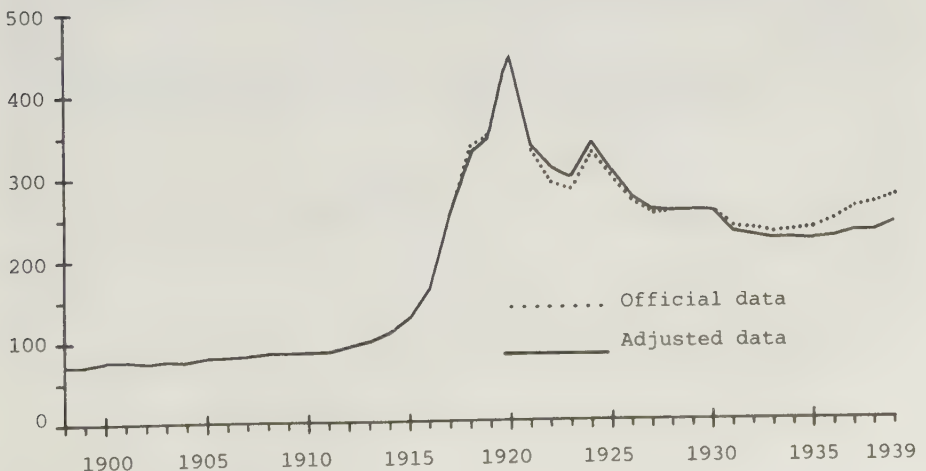
If we present a synthesis of the period 1898-1940 in Figure C.2. the result is similar to the price development in Europe: stabilized prices before 1914. In the 1920s and earlier 1930s they fell. In this specific period Iceland's price movements did not diverge very much from the bulk of the European countries as compared with the post-war years, after 1945.

Figure C.1. Three indices of housing cost in Reykjavík 1914-39.



Sources: Hagtíðindi 1915-1940; Skýrslur um húsnæðisrannsóknina í Reykjavík 1928; Skýrslur um störf húsaleigunefndar í Reykjavík, júní 1923; Árbók Reykjavíkurbæjar 1940. See also the text.

Figure C.2. Cost of living in Reykjavík 1898-1939.



Sources: See the text.

Table C.11. Cost of living and cost of housing in Reykjavík 1914-1939.

	Cost of living			Housing cost		
	Statistical		Alternative Cost of living (3) kr.	Statistical		Alternative Housing cost (7) kr.
	(1) kr.	(2) index		(5) kr.	(6) index	
July 1914	1800	100	1800	300	100	300
Oct. 1914	1937	108	1937	300	100	300
- 1915	2206	123	2264	319	106	377
- 1916	2797	155	2853	399	133	455
- 1917	4459	248	4504	487	162	532
- 1918	6000	333	5934	610	203	544
- 1919	6256	348	6342	663	221	749
- 1920	8032	446	8023	895	298	886
- 1921	5958	331	6040	957	319	1039
- 1922	5239	291	5562	1017	339	1340
- 1923	5086	283	5355	1064	355	1333
- 1924	5890	327	6106	1111	370	1326
- 1925	5316	295	5477	1158	386	1319
- 1926	4789	266	4897	1205	402	1313
- 1927	4525	251	4579	1252	417	1306
- 1928	4546	253	4546	1299	433	1299
- 1929	4592	255	4592	1340	447	1340
- 1930	4547	253	4547	1380	460	1380
- 1931	4187	233	4127	1380	460	1320
- 1932	4150	231	4040	1370	457	1260
- 1933	4067	226	3967	1300	433	1200
- 1934	4112	228	3953	1300	433	1140
- 1935	4181	232	3916	1345	448	1080
- 1936	4357	242	3972	1405	468	1020
- 1937	4632	257	4114	1478	493	960
- 1938	4724	262	4121	1503	501	900
- 1939	4874	271	4272	1503	501	900

Main sources: Hagfðindi, 15. year 1930, no. 12; Þorsteinn Þorsteinsson: "Verðbreytingar síðustu ára." in Tímarit Lögfræðinga og hagfræðinga, I. 2:1923; Félagssmál á Íslandi (1942); Árbók Reykjavíkurbæjar 1940, p 60.

Notes to Appendix C.

1. See Félagsmál á Íslandi, pp. 54-70
2. The prices of some animal products in North Iceland are compared with a few imported groceries in a study by Jón Gauti Pétursson: "Verzlunarárferði landbúnaðarins á Íslandi um 100 ár." in Samvinnan XXIV (1930), pp. 124-85. For an account of the price development in international perspective see f.ex. W.A.Lewis: Growth and fluctuations 1870-1913, p 69ff.
3. The assessed market price scales and the prices of some imported goods are published in Skýrslur um landshagi á Íslandi, vol. I (1858, pp. 234-83), vol. II (1861, pp 406-29), vol. IV (1870, pp. 480-520); Lovsamling for Island; Stjórnartíðindi fyrir Ísland B & C; and Landshagsskýrslur fyrir Ísland.
4. Guðmundur Björnsson: "Bæjarbragur í Reykjavík." in Mánaðsilfur, safn endurminninga, pp. 94-100.
5. Torfi Ásgeirsson: "Verðlagsbreytingar 1900-1938.", in Klemensar-bók.
6. See sources in notes 11 and 13.
7. L.Jörberg: A history of prices in Sweden 1732-1914, vol. 2, p 349.
8. Column 1 is based mainly on "Skýrsla um verðlag á ýmsum íslenskum og erlendum vörutegundum og vinnulaun, samkvæmt reikningum Holdsvæikraspítalans í Laugarnesi árin 1898-1912." Column 2 is taken from Þorsteinn Þorsteinsson: "Verðlagsbreytingar síðustu ára." Cols. 3&4 are from L.Jörberg: op. cit., p 349.
9. See table C.9. here below.
10. "Skýrsla um verðlag á ýmsum ..." p 410. The main imported food-stuffs were grains (rye mainly), coffee and sugar.
11. Indriði Einarsson: "Peningaverðið á Íslandi." in Skírnir, 1908, pp. 125-39.
12. Magnús S. Magnússon: The price development and day-work wages in Iceland 1820-1914. The assessed market price scales of 13 selected price series. (Stencil).
13. Same source as in note 10.
14. Jón Þorláksson deserves to be mentioned here. He did not agree with Einarson's calculation procedure and was careful to avoid the previous inconsistencies of IE without discussing it further. See Jón Þorláksson: Lágðengið, p. 38.
15. Guðmundur Jónsson: Vinnuhjú á 19. öld., p 46.
16. Ibid., p 44f.
17. See f.ex. Klemens Jónsson: Fjögur hundruð ára saga prentlistarinnar á Íslandi, Chapter 14.
18. Skýrslur um störf húsaleigunefndar í Reykjavík. Júní 1923.
19. Einar Benediktsson: "Verðlagsþróunin 1914-1956." in Úr Þjóðarbúskapnum, 5 (1958), pp. 19-27.
20. Skýrslur um húsnæðisrannsóknina í Reykjavík 1928. Reykjavík, 1930.
21. Besides the sources in notes 18 and 20 we can add the Population census in 1930 and Félagsmál á Íslandi. (1942).
22. Fundagerðabók Sjömannafélags Reykjavíkur 1922-1931. (23/1 1928)
23. The original table is in Félagsmál á Íslandi, but the housing cost has been revised in accordance with the result in Figure C.1.

APPENDIX D.

An addition to Chapter 5: Main trends in the Icelandic fishing sector - fleet structure and fishermen.

The sources.

The sources used here are mainly the printed statistics available for the period 1770-1879 and 1897-1940. Statistical data for the period 1880-1896 were never published for the fisheries concerned. The National Archives in Reykjavík preserves a considerable part of the missing data for the period 1880-1896, (the 1880s mainly) and constitute an integrated part of this study.(1)

Chapter 5 and this appendix are prepared on the basis of three different types of data; Agriculture statistics which registered boat statistics in the period 1770-1896; Fishing statistics for the period 1897 to 1940, and the crew lists for the fishing vessels in Reykjavík 1891-1896. To this annually provided information we can add the Population censuses which provided decennial information about the occupational structure in the districts of Iceland from 1860 and onwards, and before that quinquennially from 1835(2).

In the 18th and 19th century the small fishing boats, the rowing boats, were mainly used by fishermen (and eventually farmers) living near the coast. The boat was taxed according to its value (based on size) like any other personal property on the farm, including the livestock. The motive behind such property registration was taxation on property (real estate and private property) while before 1877 the only form of income tax was paid by migrant fishermen in the regions of Snæfellsnes and Gullbringusýsla.(3) This registration included only those boats which had been used once or more in the year; but not boats that had been out of use or were considered outworn.(4)

In 1897 the registration principle of fishing vessels and boats was changed from taxation to production, i.e. fishing statistics. Thereafter, only those boats, which were used for fishing and had classified information about the catches, were included in the fishing statistics. In this era when the quality of statistical sampling could be questioned on many points it was no wonder that all boats used for fishing were not included in the new fisheries statistics. The available information shows a rapidly deteriorating fleet of rowing boats between 1879 and 1897 (even if missing data from some districts in 1897 are taken into account), which has been taken as a proof of structural changes within the fishing fleet to the advantage of the decked sail vessels.

In a few districts in 1897-8 at least the boat statistics were sampled simultaneously on the basis of taxation and production.(5) For at least three districts I therefore had the opportunity to compare the number and size of rowing boats (and decked sail vessels as well) registered on two different principles. This comparison supported adequately the supposition that the decline of the small fishing boats was exaggerated. This decline was not so rapid as previously suggested, but decline it was nevertheless. As a result we have reasons to believe that the operations on the rowing boats were somewhat underestimated in the fisheries statistics, but we have no possibilities to evaluate these differences quantitatively. To that we may add that the problems caused by changed registration principles caused no apparent difficulties in estimating the number of the decked sail vessels.

The fisheries statistics from 1897 provide us with data on various aspects of the fisheries; size of vessel, the fish quantity by species, length of season(s), regional distribution, the number of crew members, etc.

In order to get a fuller account about the growth of fishing in Reykjavík, and partly to compensate for the gaps in the statistical information, the crew lists were examined for the years 1891 to 1896. They were primarily a combination of various documentations; the employment terms (wages and the wage form, agreed length of employment, age and birth place by district, etc.) in conformity with the Navigation Act of 1890.(6) The crew lists supply invaluable information about the Icelandic fishermen, but a study of them demands a time-exhausting investigation. Therefore, only the most relevant information for this chapter was sampled, such as number of fishing vessels and crew members, the vessels' size and the duration of fishing operation.

The fourth statistical sources are the population censuses which provide various information about the fishing population classified by regions, sexes, age, and - from 1920 - by main fleet categories. Here we use the population censuses to illustrate the specific character and the changing social basis of this industry.

In the printed fisheries statistics since 1897 we are provided with the average number of the crew members only, which leaves out the possibility of our knowing how many altogether were directly employed. The classification in the statistical publications separates the fishing vessels greater than 12 GRT (Gross register tons) from the rest - the rowing boats and smaller motor boats mainly. The vessels are thereafter divided into sub-categories: (1) decked sail vessels, (2) steam- and motor vessels, and (3) steam trawlers. There are ample reasons to expect that the fishermen class was primarily constituted of these groups, while the fishermen on the small boats belonged to the periphery in this respect.

The fishermen; some methodological problems.

The capacity of the rowing boats varied greatly, between carrying from 1 up to 12 fishermen (or even more); the largest ones sometimes requiring extra man-power in land.(7) In the statistical material, the boats have been classified into three size categories; those which could carry 1-3 fishermen, 4-6 fishermen, and the so called "skip" carrying 8 or more.

In order to estimate the total man-power capacity of the rowing boats fleet it is assumed that the average capacity in the first class is 2 fishermen, in the second 5, and in the third 9 because the 12-oared boats were relatively few. So, the total capacity is a weighted sum of "potential" fishermen from these three groups.

The statistics prior to 1897 do unfortunately not provide information about the crew size on the decked sail vessels. My estimations are made on the assumption that the average crew size after the mid-19th century was 11. The result presented in Table D.1. should therefore be taken with some reservation; in particular for the 19th century. On the other hand the ultimate purpose here is not to arrive at the exact figure but only to show the levels of development.

Table D.1. The estimated number of fishermen on the decked sail vessels, 1860-1920.

<u>Year</u>	<u>Ships</u>	<u>Fishermen</u>	<u>Fishermen/ship</u>
1860	59	649	11.0
1870	62	713	11.5
1880	64	768	12.0
1890	85	1063	12.5
1900	139	2165	15.6
1905	166	2772	16.7
1910	139	2349	16.9
1915	95	1476	15.5
1920	39	484	12.4

Source: See the text.

Fishermen in regional perspective.

The censuses for the 19th century, prior to the mechanization era, show that the overwhelming majority of the registered full-time fishermen in the country lived in the southwestern region, primarily in Reykjavík and still more in other places of the Reykjanes-peninsula.

Table D.2. Registered fishermen (incl. male servants in the household) in the population censuses by regions, 1855-1930. (Per cent)

<u>Region</u>	<u>(No)</u>	<u>1855</u>	<u>1880</u>	<u>1890</u>	<u>1910</u>	<u>1930</u>
Southwest	(1)	76.4	56.4	50.3	32.6	39.9
Vestfirðir	(3)	3.1	12.4	16.3	26.6	16.8
Norðurland	(4)	2.6	5.0	10.0	14.4	20.2
(1)+(3)+(4)=		82.1	73.8	76.6	73.6	76.9
Total in Iceland		1531	2679	3881	5294	6598

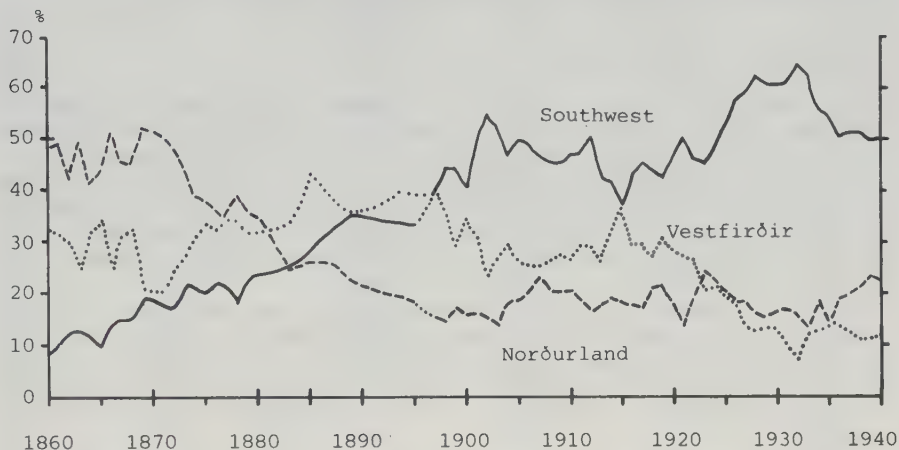
Sources: The population censuses for resp. years; see Appendix A.

Note: In the 1910-census 379 male fish-processing workers are incl. The 1930-census includes 151 female-fishermen).

As we can see by comparing this table with Figure D.1. there exists here no one-to-one-correspondence. On the contrary, it is hard to find any apparent relationship between the division of the sail vessels and the division of the fishing population by regions - at least in the 1855-census, but the correspondence improved with time. After 1910 we have at least a sequential correspondence by regions; Vestfirðir were declining; Norðurland remaining relatively stable; and the Southwest gaining ground, especially in the 1920s. The correspondence between the production statistics and the population censuses wasn't satisfactory until the mechanization era got under way; by then they in principle showed similar results.

The Southwest region was constantly over-represented in the 19th century as the censuses were concerned, while it was on the contrary in the 20th century. The per cent figures in 1910 were 47% against 32.6% in the population censuses while in 1930 the figures were 61% resp. 39.9%.

Figure D.1. The division of all fishermen on all fishing vessels (excl. boats) by main regions, 1850-1940. (Per cent).



Sources: Skýrslur um landshagi á Íslandi, vols. I-V; The National Archives: "Skýrslur um þilskip, opin skip og báta 1875-1899"; Landshagsskýrslur fyrir Ísland, 1898-1912; Hagskýrslur Íslands: Fiskiskýrslur og hlunninda, 1912-40.

A partial explanation why the production statistics were higher must be sought in the labour migrations in connection with the winter season in the Southwest. The fishermen from various places outside the region joined the labour force permanently dwelling in the region. Other fishing regions of importance were not able to stave off this labour stream during the winter season.

The above described picture is supported partly by a few investigations made in Reykjavík in the 1920s. The non-resident (not registered in the capital) crew members on the Reykjavík-fishing vessels, constituted a significant minority on the trawlers, and a permanent majority on the remaining vessels. (8)

We can further ask: why did the Southwest region decline relatively and absolutely as well between 1902 and 1915? The fishermen were reduced from 1200 to 900. Thereafter they gained new strength successively into the 1930s. The Vestfirðir, on the other hand, showed reverse tendencies; there the fishermen were ca. 500 in 1902, but rose to ca. 850 in 1915 and fell again gradually after that. These two regions covaried negatively in this respect.

The major fluctuations seem to have affected the Southwest outside Reykjavík. The changing economic character of the fisheries in this period of rapid changes was greatly affected by the speculative character, not least in the mechanization era. It is well known that the capitalists took no regard of the fisherman's situation and preferred to use their capital where the prospects of profits were

most lucrative. The production means changed hands frequently which hit small and monotonous fishing towns very hard, sometimes strangling whole communities. In particular this speculative character was a striking phenomenon in the case of the herring industry which favoured the Norðurland in the 1920s and 1930s. But the capital flow was remarkably flexible which in its turn necessitated a flexible labour market. No wonder that this capricious phenomenon was in many cases decisive for the growth of towns and fishing villages.

The fishermen in Reykjavík.

In the row-boat era till the 1880s Reykjavík was more or less an integrated part of the existing production system in the Reykjanes-area. The economic life in the town was equally as dependent on the regularity of the fish migrations as any other part of the Reykjanes-peninsula. Sometimes the row-boats were stationed outside the Reykjavík district, in neighbouring parishes in Reykjanes, which by and then happened to be more advantageously located for fishing. (9)

In the "decked vessels era" the shift to Reykjavík was sealed, thanks to the adaption to the new fishing technology. Easy access to the embryonic but necessary infrastructure, was then more important for the fisheries in Reykjavík than a proximity to the fishing grounds, especially when capital was gradually penetrating this business.

In Reykjavík alone the reliability of the row-boats statistics in the 19th century is not satisfactory and there are some unexplained inconsistencies. Therefore we deal here with the larger vessels only.

In figure D.1. we saw how the Southwest region, (including Reykjavík), ascended from almost nowhere in the 1850s to 55% in 1902. This rise was of course not only due to Reykjavík; in 1902 the capital absorbed 37.5% of all labour on the fishing vessels fleet, thanks to the rapid capital accumulation in the previous decade. Table D.3. provides us with some detailed information about the development of the sail vessels operating from Reykjavík between 1891 and 1912, the crucial period of labour mobilization and proletarianization. This period was the manufactural era of the fishing industry in general and of Reykjavík's economic development in particular. At the height of this era, in 1906, the increase in the vessels fleet from 1891 was fourfold and of average size twofold; while the length of fishing season was extended by 1/4. In the meantime the number of fishermen had increased more than sixfold while the average crew size was enlarged by 48%. The real spurt was concentrated to the years between 1895 and 1901, expressing simultaneously a process of capital widening and capital deepening.

The high season in the Southwest region and Reykjavík lasted in the 1890s from ca. 20th March to the end of August or early September. The best months for catching were in the so called winter season; March, April and early May. The official and by tradition acknowledged period was between the 2nd of February to the 11th of May. (10) Accordingly, the sail smacks were not utilized until about 1 - 1 1/2 month into the winter season. In the late 1890s this actual start of the season was gradually transferred from the third week of March to the first, and the fishing season in the late summer and autumn (haustvertíð) was successively lengthened, according to the crew lists.

Table D.3. Some indicators of the development of the fishing industry in Reykjavík, 1891-1912. (Decked sail vessels only).

Year	Number of sail vessels	Average size (Tons)	Fishermen (total)	Average crew size	Length of season (Weeks)
1891	10	36.3	136	13.6	22.3
1892	12	35.7	149	13.3	23.9
1893	13	34.7	176	13.5	23.9
1894	-	-	-	-	-
1895	18	38.5	267	14.8	24.0
1896	24	35.9	363	15.1	23.3
1897	30	46.3	505	16.8	21.3
1898	34	51.2	588	17.3	23.3
1899	35	52.0	607	17.3	24.7
1900	31	56.5	602	19.4	25.0
1901	41	68.0	826	20.2	26.2
1902	37	68.5	763	20.6	26.4
1903	35	74.7	731	20.9	25.7
1904	31	75.6	674	21.7	26.2
1905	39	74.0	825	21.2	26.3
1906	41	74.4	822	20.1	27.4
1907	35	76.5	675	19.3	25.4
1908	32	76.4	669	20.9	26.2
1909	33	76.6	705	21.4	27.7
1910	32	80.5	765	23.9	28.3
1911	30	81.9	746	24.9	28.4
1912	26	82.9	638	24.5	27.5

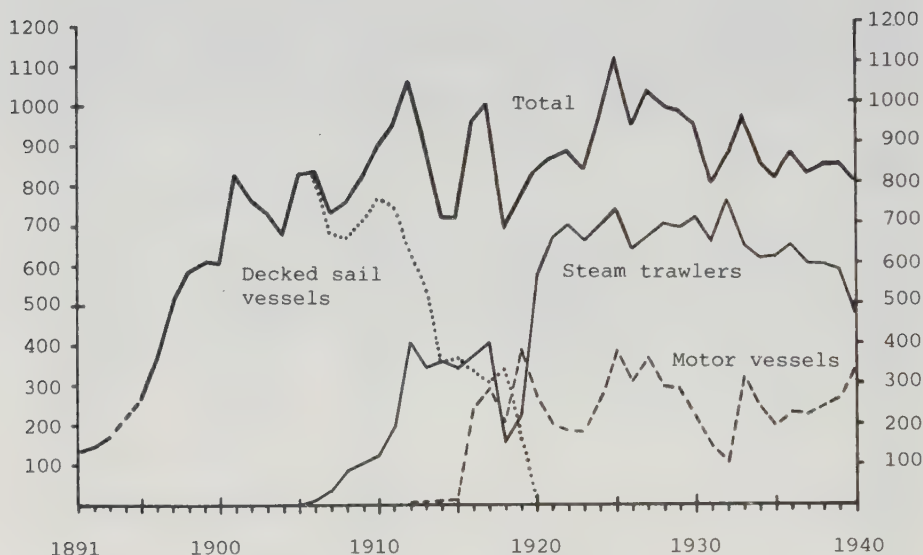
Sources: The National Archives (Þjóðskjalasafnið) Reykjavík: Skips-hafnarskrár fyrir Reykjavík, 1891-1896; Landshagsskýrslur fyrir Ísland, 1898-1912; Fiskiskýrslur og Hlunninda fyrir árið 1912. (39)

The duration of the sail vessels fisheries in the Southwest area covered in principle two fishing seasons, which in the first decade of the 20th century implied that the bulk of Reykjavík's fishing fleet was operating about 8 months a year (or 30-33 weeks). The lower averages in Table D.3. are caused by a few vessels which for some reasons were operated for brief periods.

The mechanization era in Reykjavík, beginning in 1906, did not lead to any substantial long-term increases in labour demand. The number of fishermen fluctuated greatly, however, or between 700 and 1100 in the inter-war years. (Figure D.2.)

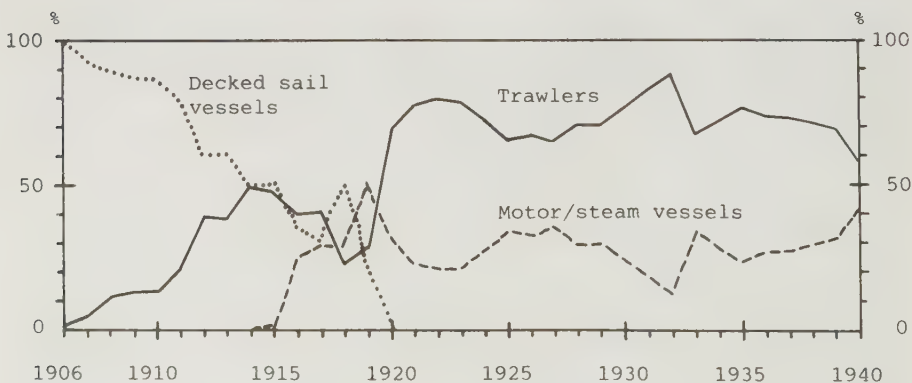
Until 1915 the trawlers alone replaced the sail vessels, and after 1919 the fleet was composed of steam trawlers and other motor vessels while the sail vessels were a finished episode. In the "golden era" in the 1920s the steam trawlers employed between 2/3 and 3/4 of the fishermen in the capital. Measured in GRT the figures would become still higher. Practically all trawlers then were operated from Reykjavík and the neighbour town of Hafnarfjörður. The trawling fleet was therefore almost exclusively concentrated to the Southwest, which in Reykjavík's case gave the capital a totally different character and potentials in comparison with the country as a whole

Figure D.2. Fishermen in Reykjavík by fleet categories, 1891-1940.
(Vessels >12 GRT)



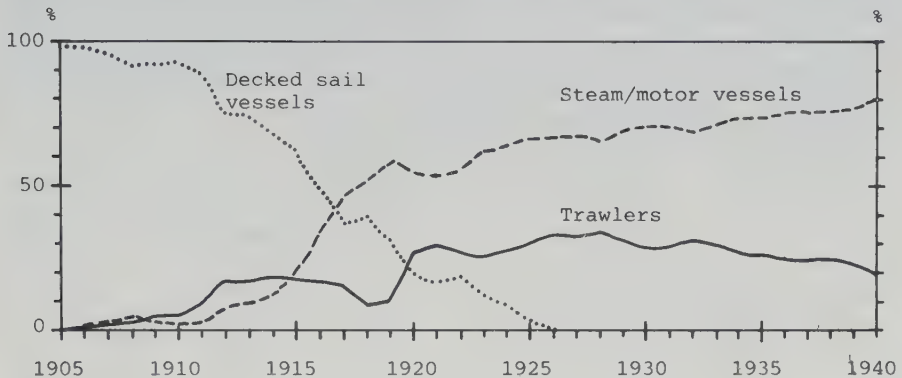
Sources: The National Archives: Skipshafnarskrár fyrir Reykjavík, 1891-1896; Landshagsskýrslur fyrir Ísland, 1898-1912; Hagskýrslur Íslands: Fiskiskýrslur og hlunninda, 1912-40.

Figure D.3. The relative division of fishermen in Reykjavík by fleet categories, 1906-1940. (Per cent)



Sources: Landshagsskýrslur fyrir Ísland, 1904-12; Hagskýrslur Íslands: Fiskiskýrslur og hlunninda, 1912-40.

Figure D.4. The relative division of fishermen in Ísland by fleet categories, 1905-1940. (Per cent)



Sources: Same as in figure D.3.

Table D.4. The fishermen in Reykjavík and the members of The Reykjavík Seamen's Union, 1916-1940.

Year	Fishermen (1)	Union members (2)	Unionization of fishermen $\% = (2) / (1)$
1916	948	580	61
1917	999	590	59
1918	686	570	83
1919	760	546	72
1920	831	703	84
1921	862	928	108
1922	880	999	113
1923	836	949	113
1924	961	940	98
1925	1113	1152	103
1926	944	836	88
1927	953	540	57
1928	988	711	72
1929	975	891	91
1930	941	1032	109
1931	797	990	124
1932	863	849	98
1933	964	907	94
1934	850	969	114
1935	807	972	120
1936	873	949	109
1937	821	949	116
1938	841	931	111
1939	842	897	106
1940	799	1435	180

Sources: Hagskýrslur Íslands: Fiskiskýrslur og hlunninda, 1916-40; Sjömannafélag Reykjavíkur tuttugu og fimm ára, 1915-1940, p.40. After 1920 the figures in column 2 are adjusted to fishermen only, by leaving out members on cargo vessels.

(see figure D.3.). When the trawlermen in the 1920s on the average constituted 29.7 per cent of the manpower on the Icelandic fishing fleet the respective average was 71.4 per cent for Reykjavík. The mechanization phase in Reykjavík and Hafnarfjörður on the one side and the remainder of Iceland on the other side followed two different patterns; in the former case the steam trawlers mainly replaced the decked sail vessels while elsewhere the medium-sized motor vessels formed the new backbone of the fishing industry.

The trawler fishermen in Reykjavík were concentrated to the 23-28 trawlers in the 1920s, which stimulated the local trade union to such a degree that it became, when at its best, the most numerous and powerful union in the country. The unionization among the fishermen on the Reykjavík fleet was quite impressing. In 1915 - a year of high inflation and social unrest - The Reykjavík Seamen's Union was founded. The core of this union consisted from the start of trawler fishermen, which very soon were placed at the front of the labour movement (see Ch. 9). In the next decade the trawlermen were able to bring together within their union a great majority of the fishermen on the Reykjavík-fleet, whether they lived there permanently or were non-residents. This is demonstrated in Table D.4.

We have already dealt with the specific rotation character of labour in the fishing sector. This explains partly why the number of unionized fishermen exceeded that of the registered actual fishermen in various years. In column 1 we are using average number of fishermen, not all those involved more or less in the fishing sector. In the fisheries statistics the fishermen were calculated on a basis of four measurements during the year. On the trawlers the crews were much larger in March-May (the winter season) than in Oktober-January when the fish was mainly iced. The published averages showed the amount of fishermen somewhere between these extremes. The total number of fishermen on the Reykjavík fleet was therefore higher than the statistics indicate. A systematic study of the crew lists would surely provide further information about these mechanisms of labour demand in Reykjavík.

Work relations.

a) The rowing boats.

The rowing boat was open with an average crew of between four and eight men. The use of sails became widespread in the 19th century. A specific feature of the fisheries on these boats was the low degree of standardization of labour, and a high degree of work-elements preserved by tradition. Firstly, the work aboard was "task orientated" (11) and each crew member had his specific duty according to his status, experience, strength and skills. Secondly, the work period was the "season", bound to fisheries in inshore waters and the duration of the fish migrations in a given place. But ultimately the season depended on those periods in agriculture when labour requirements were minimal. The seasonal rhythm of traditional fisheries was in other words, mostly dependent on the seasonal requirements of labour for farming. These twofold requirements (for a fishing season giving good returns at the proper time of the year) were most

satisfactorily meet in the Southwest of Iceland during the winter season (2nd February to 11th May).

With some minor regional variations the catches were divided in accordance with a given rule between the crew-members, the foreman, the boat owner, and the owner of the fishing gear. Fixed wages for the season did also exist. Some aspects had been coded by pseudo-legal prescriptions (ex: Marköngladómur) but the tradition generally had the final word. The ordinary crew-members were allowed to have a common fishing line (90 hooks was the usual length) from which the catch was totally theirs and was estimated to equal ca. 1/10 of the fishermen's income over the season. (12)

Usually the fishermen's incomes were determined by a set of factors of which the quantity, price and quality of the fish were decisive. 1. The regular fish migrations to the customary fishing grounds were a given precondition in the era of the rowing boats. The regularity or punctuality of the fish migrations compensated the passiveness of the rowing boat fishing technique. The boats had a very limited range of operation. 2. The fish prices meant much of course. Usually the fish was bought by the local merchant whose propensity to buy was ultimately determined by the quantity of the product and the price-signals on the overseas markets. 3. The quality of the fish products was always an important factor for the producers. The Icelandic (salted) fish was usually considered as a high-quality product on the overseas markets as compared with other competing nations. (13)

By looking in retrospect over the main phases of the fisheries the chief bottleneck was the uncertain quantity of fish. On the rowing boats the quantity varied greatly, not only between years but also locally between areas and regions. These uncertainties constituted great risks for the fishermen if they intended to break their ties with the farming society as a partial source of living. Hence, the difficulties in developing urban areas and coastal villages on the basis of the rowing boat stage of development. The part-time fisherman embodied only in an embryonic form a proletarianized element, since his social situation obliged him to offer his labour capacities to the farming sector. The manner in which the fisherman/servant was exploited tangled two modes of exploitation; the one based on extra-economic coercion (the yield was the legal property of the master); the second of economic nature, first of all due to the servant's lack of means of production, land included. He was still closely tied to the constraints of the farming society, even if we admit that these ties were loosening in the 19th century. The legal prescriptions concerning labour services were practically abolished in 1893.

Work at sea was by necessity a team work, but not in all aspects. The rowing boat demanded a many-sided team-work which covered the management of the boat (the small sails when in use and navigation), the treatment of the fishing gear (nets, handlines, longlines, etc.) and in land the curing of the fish. This activated the crews in sets of necessary work or tasks throughout the day in conformity with the customary practices of "task-orientation". This did certainly not rule out either co-operation or competition, which in both cases served the gain of the group rather than the individual gains. Division of labour did hardly exist; the fisherman, for example, cured the fish and it was only at later stages that a division between land work and sea operations arose. Then it was often the females which continued the fish processing. An early form of this separation meant that the

woman who took care of the household and the fish when the men were at sea ("hlutakona").

Possibly it began in the 1890s, closely associated with the urbanization and the rise of an economy based on exchange of commodities; a period when social division progressed most notably.

Yet the fishermen had difficulties in abstaining from the compulsion to work for the farmers in the low seasons at the seaside. Work at this level of production was performed in primitive co-operation as contrasted to the capitalistic form. This happens when a group of producers is in the labour process jointly utilizing a portion of the means of production (the fishing vessels) and covers later stages of industrial development as well. Co-operation does not exist as a separate stage historically or as Marx expressed it: "co-operation is a necessary concomitant of all production on a large scale, but it does not in itself represent a fixed form characteristic of a particular epoch in the development of the capitalist mode of production ... but the division of labour and machinery play an insignificant part." (14) Marx defines the form of labour co-operation when numerous workers work together side by side in accordance with a plan, whether in the same process, or in different but connected processes. (15)

b) The decked sail vessels.

Although the decked sail vessels were a step forward in fishing techniques the similarities with the co-operation system were obvious. The tools which the fishermen used in cod fisheries did not improve substantially from the individual basis. The fishing nets were a latecomer (herring). Cod fisheries were primarily individually performed - not only on the rowing boats. On the other side, the sail vessels implied a still further step forward towards a differentiation and hierarchy among the fishermen, a further classification of the labour force and standardization of labour power as well.

The foreman became captain; the mate and the teenage cook were new categories and the deck hands had definite tasks to carry out onboard besides the direct fisheries. The major difference of the decked sail vessels in comparison with the rowing boats was the over-all capacity of the former; it became an independent productive unit with all necessities onboard, food, berths, salt and coal, etc. The need for a land station was severely reduced. This in turn drastically extended the range in which the vessels could operate and follow the fish migrations in open waters.

The decked sail vessels were mainly operated sporadically during the first half of the 19th century and the real heyday in the Southwest region came between 1890 and 1910. In this period the umbilical chord between farming and fishing was decisively broken as urbanization got under way and the fishermen begun staying permanently in the coastal towns. This specific stage of manufacture (with certain parallels to the "protofactory stage") in the fishing sector was a transitional era which evidenced a decisive change towards a capitalist mode of production. Firstly, it was a period of rapid capital accumulation in the fishing sector due to expanding banking activities, improved terms of trade for fish products, and the purchase of cheap fishing vessels when the British saddled over to steam trawlers. The fisheries became a top priority investment object. Secondly, a growing class of day-workers and full-time

fishermen underwent a rapid formation as a labour force permanently available, but seasonally unemployed. The proletarianization process was characterized by the final divorce between farming and non-farming activities and a rise of a class of wage-workers in Reykjavík and some other urban areas while the labour demand continued to fluctuate seasonally. The mode of fishing production prior to the arrival of the steam trawlers relied on an imperfect technical and social foundation which primarily provided seasonal employment as a semi-urban phenomenon. Although the manufacture constituted the technological basis the development of the fisheries continued to rely on sufficient labour supplies for still longer periods. As the vessels became bigger the operative time each year was prolonged. The operation period of the decked fishing vessels protracted on the average from 22,3 weeks in 1891 to 28,4 weeks in 1911.(16) This means in 20 year, the unproductive period of most of the capital was shortened from being 29,7 weeks per year to 23,6 weeks.

Instead of labelling the smacks as a manufacture production it is probably more appropriate to apply the term "handicraft factory" as a particular case of the "proto-factory" system. The "revolutionizing" aspect of the proto-factory was not that of the means of production in the technological sense, but that of the organization. The smacks were a further step from the rowing boats towards increased concentration and control by the entrepreneur over the labourers, the organization of work (and the marketizing of the products). This by necessity implied that the rural character of the supplies of labour was preserved although diminishing. Labour was increasingly brought together on a basis of capitalist organization; on bigger vessels without a fundamental change in the labour process. The individual character of work relations prevailed, although team work and co-operation was a necessary feature of the production process as a whole. The primitiveness of the relations between the worker and his instrument(s) of labour stands in opposition to the relatively advanced social character of the production process, that is, the unity of the labour process and the specific capitalist form of the production of commodities.(17)

Thus, under the proto-industrialisation phase ("the age of the decked sail vessels"), capital - through the organisation of labour in the process of absolute surplus production, the market economy and social division of labour - subordinated labour to capital.(18) In the first instance the economic form alone was changed as the means of production were changed into capital, while the material labour process was fundamentally intact "since the mode of working by the individual (was) for the most part unchanged."(19) Usually this is called formal subordination of labour to capital, since the worker in a social sense (as a producer having no property) is forced to serve capital. This process utilized mechanization, steam engines, etc., to dictate the terms of labour in this process, i.e.: the real subordination of labour to capital controls the rhythm of labour: "the point stressed by Marx is not the application of a new source of energy, but the diminution of the handicraft basis to the production and division of labour based upon it."(20)

c) The steam trawlers.

Compared with the precedent fishing technology the steam trawlers were not limited by the natural environment; i.e. the weather, the fish

migrations, etc. They were in use the whole year round, although bound to the three major fishing seasons. These three seasons were:

(1) The winter season and the spring season, running from mid-February to June (although by tradition separated on the 11th of May). Then the crew was usually enlarged by over a dozen men or so, mainly for curing the fish. The main catch was the cod, which usually was salted aboard. The process of drying was thereafter continued in land. If there was any slack season it was usually between 11th of May and mid-July when the cod returned from the spawning grounds (in the Southwest) in the search for food in colder waters. Some efforts were then made to exploit fishing grounds near Greenland, but often this period was used for maintenance and reparations of the ships, which frequently provided employment for a part of the crew. Probably it was a matter of economy whether the trawlers were operated in this period or not.

(2) The summer-season, mainly exploited outside the Norðurland between July and mid-September, when the herring catches culminated.

(3) The autumn and early winter season, or simply the autumn season outside the west-coast, when the cod was iced aboard and directly sold in Britain or continental Europe. This was done between mid-September and mid-February. The circle was closed. Practically all the major fishing areas were utilized by trawlers for some period during the year.(21) Thus, the fishermen had decisively left the agrarian mode of production based on insecure fisheries from the numerous fishing stations. The sail vessels overstepped these restraints, but the trawler did this and much more in a splendid and highly active way by following the fish migrations and catching in more difficult weather conditions; never mind if it was winter or summer.

In Table 5.1. we saw that the catches per motor boat in 1920 were 60 tons resp. 13 tons for the rowing boats. Comparative figures for the steam trawlers were 768 tons.(22) The productivity on each fisherman was accordingly 32 tons compared to the 11 tons and 3 tons for the rowingboat fisherman. 32 tons per year is in other words ca. 11 tons in 2,8 months. This implies that the annual average productivity on the trawlers (including both slack seasons and the period spent on herring) equalled the high season fisheries on the motor boats. As noted by Sigfús Jónsson the catches in March-April constituted 49% of the demersal catches during the year.(23)

If we leave aside the wage-form, this resulted in great income differentials between the main groups of fishermen (later discussed). The diverging line between full-time fishing and part-time fishing can possibly have lain somewhere between these poles of productivity.

When productivity is concerned the trawler fishermen surpassed all other groups in the fishing sector; at least on a yearly basis. The big difference from the decked sail vessels was the change from primitive fishing gear such as the handline to the complicated trawl, or as one person paraphrased it:

"... for a cutter deck hand who is accustomed to the simplest fishing gear of all - the handline - it takes its time to handle the most intricate one, the trawl. Onboard the cutters the cooker was the most perplex machine, but on the trawlers there were all

kinds of tools and machines which a cutter deck hand had no cognizance of. (24)

The handling of the trawl was synonymous with team work where each deck hand had a given task according to his skill, experience, strength, etc. These tasks could rotate if many deck hands were able to perform them. For a short but illuminating account of the crew-tasks the autobiography of the trawler skipper Tryggvi Ófeigsson is noteworthy. (25) The essential features were: firstly, the care which the trawl itself required (steady reparations, constant control and treatment) as it was towed many times a day, and secondly the fish processing onboard, especially during winter season when salted fish was the main staple. The maintenance and reparations of the trawl was the most reputable and best paid of jobs on the deck. Net-reparations, for example, required skilled seamen (though not necessarily educated for this) which were in high demand and much appreciated by Ófeigsson. (26) Differences in skills were, however, more clearly marked in the early stages of the trawling business; sometimes dividing the deck hands into two distinct groups as net-braiders and fish processors. (27) Accordingly the wages differed more in the beginning than later. Here, it would be of great interest to investigate if possible the recruitment of deck hands on the trawlers by origin in other occupations and branches. In the fishing sector the trawler fishermen constituted the vanguard group in the socio-economic sense. But, within this group there prevailed a core of well trained deck hands which had quite a well defined position in the labour process and were favoured in terms of payments and employment. In this respect the fish processors were inferior, partly because they had less skills and also because of more competition; the demand for their labour power was foremost bound to the winter season (February-May) and less when the fish was iced and marketed abroad (Oktober-January). It should be emphasised that this division of the deck hands provides only a partial hint of the division of labour/co-operation in the labour process. The variegated tasks onboard also involved moments where all deckhands had to co-operate; to handle the trawl and the catches. Captain Ófeigsson simultaneously demanded and praised highly the almost heroic altruism of his men and noted that maximum efficiency was gained on trawlers with a "collaborative crew of equally energetic men". (28) As Chapter 8 illustrates, the trawlers were highly associated with an inhumane condition of labour on a scale previously unknown. The deckhands were then under the load of a labour discipline where the capitalist labour process subordinated the labour in the real sense. The seamen were primarily in their best age and able make every endeavour in the competition for the employment opportunities.

Fish processing.

While the fisheries were technologically improving through the introduction of the smacks in the 19th century (proto-industrialization phase) and totally mechanized between 1902 and 1928, the processing and curing of the fish did not until long afterwards enter the manufacture or machino-facture level. From the method of simply drying the cod in open air the salting of it became common only as late as in the 19th century. The salted cod kept its position until

WWII as the predominating product, although the changed market conditions in the crisis of the 1930s signified an end of this era. This method was very labour-extensive and relied much on the availability of cheap labour, mainly females, especially during the spring. Herring salting, which was in full swing during July and August were labour-extensive too with no less need for the female workers than the salted fish.

The mechanization in fish processing was in the beginning restricted to the herring meal industry (1911) and processing of cod-liver oil before WWI. It was particularly on the northern coast (Norðurland) and Vestfirðir where the herring centers were established (Siglufjörður and Akureyri in the North, and Öundurarfjörður and Hesteyri in Vestfirðir were typical for this expansion). These plants were the opposite to herring-salting; that is capital-intensive with only a little reliance on labour (of women). Their importance was tied to the significant intensity of herring catches in the late 1920s and the 1930s. An increased proportion of the catches went directly to the meal plants as the export statistics show. (29) The capacity of these plants increased six-fold between 1915 and 1935. (30)

This business was in the beginning almost exclusively run by foreign firms, or until 1925-6. (31) In the 1930s the heyday of this business was experienced due to massive governmental investment in new and large-scale herring meal plants. (32)

The mechanization phase paved the way in the 1930s into the new-born quick-freezing industry, which after 1934 was gaining foothold under the pressure of closing markets. The most important single export market in the 1920s was Spain (salted fish), but that market was successively being closed after 1931. The new course of the fishing industry was towards freezing and icing in the late 1930s.

The world crisis initiated a set of structural changes in the fishing industry, which brought forward new products, new markets and some badly needed sale-cartels, with centralization and monopoly tendencies as the immediate result. In this process the state played an outstanding role when the international trade climate became more restrained. Bilateral trade agreements became instrumental in the race to create new markets.

The fishing sector.

The size of the fishing fleet (measured in (G.R.T. of ships larger than 12 G.R.T.)) is maybe the most conventional indicator for the accumulation of the productive power in the fishing sector.

In the period 1905-1910 the size, mainly of smacks, was ca. 7.780 GRT and rose successively to 11.700 tons in 1917 when the dramatic reduction of the steam trawler fleet occurred. In 1918 the fleet was only 7.900 tons. In the following years it recovered quickly, especially in 1919-20; the size was 22.400 tons in 1925. The culmination was achieved in 1929, just before the world crisis, with 24.200 tons. (33) Needless to say it was the expansion of the steam trawler fleet which constituted the dynamic element in this process in the interwar era.

The catches rose dramatically too as the mechanization continued; from an average of 18.020 tons of "weighted" quantities of herring and cod annually in 1905-09, the yield of the fleet was 187.680 tons annually in the period 1925-29.

Table D.5. The size of the Icelandic fishing fleet (>12 GRT) and catches of these vessels 1905-09 and 1925-29. (Annual averages).

	1905-09	1925-29
Fleet size in G.R.T.	7.780	23.000
Catches (in tons)	18.020	187.680
Catches/vessel ton	2.3	8.1

Sources: Sigfús Jónsson: The development of the Icelandic fishing industry 1900-1940 and its regional implications. (Appendix II)

The table above shows that effectivity was greatly improved along with the over-all technological improvements; the demersal catches per vessel ton increased ca. 3 1/2 times in a 20 years period. This figure should have been higher if we included the herring catches, which rose considerably in 1915-16 and more continuously after 1919.

If we measure productivity in terms of demersal catches per fisherman the result becomes even more impressing, since the fishermen increased less in amount than the tonnage indices. Compared with other occupations the fisheries were both capital-intensive and worth the label of an industry more than other branches or sectors in the Icelandic economy.

The profitability of the fisheries were dependent on several factors of which the most important in the short run were as follows:

1. The catches, quantity and types of catches where the cod was the most valuable, with herring as an important complementary product.
2. The export prices of the fish products were decided on the world market in which the Icelandic capitalist and other sellers participated as price takers.
3. The value of the Icelandic currency (króna) measured in foreign money affected directly the profitability of the fisheries. In contrast to the post WWII-period, however, the devaluation of the króna was rarely used as an instrument (with subsidies and favourable loans) (34) to guarantee the profitability of this particular branch.

Table D.6. The regional distribution of all row-boats measured in man-power-capacity: 1791-1940.

Year	(1)	(2)	(3)	(4)	(5)	(6)	Total						
	%	%	%	%	%	%							
1791	1770	22.7	1364	15.7	1893	21.8	1063	12.3	511	5.9	1875	21.6	8676
1795	1751	21.2	1311	15.9	1882	22.8	843	10.2	486	5.9	1981	24.0	8254
1800	1882	22.1	1301	15.3	2029	23.9	916	10.8	539	6.3	1840	21.6	8507
1810	1819	19.6	1509	16.2	2078	22.4	1326	14.3	506	5.4	2049	22.1	9287
1813	1820	21.9	1279	15.4	1788	21.5	1007	12.1	466	5.6	1963	23.6	8323
1817	1703	21.8	1134	14.5	1698	21.7	1070	13.7	519	6.6	1690	21.6	7814
1820	2051	23.4	1059	12.1	2005	22.8	1177	13.4	628	7.2	1860	21.2	8780
1830	2472	25.0	1067	10.8	2042	20.6	1273	12.9	765	7.7	2286	23.1	9905
1840	2573	23.4	1318	12.0	2328	21.2	1349	12.3	934	8.5	2493	22.7	10995
1845	2520	23.2	1143	10.5	2422	22.3	1686	15.5	848	7.8	2237	20.6	10856
1852	2883	23.9	1222	10.1	2428	20.2	1896	15.7	887	7.4	2724	22.6	12040
1861	3098	25.2	971	7.9	2597	21.1	1844	15.0	791	6.4	3000	24.4	12301
1871	3675	30.5	709	5.9	2389	19.8	1979	16.4	815	6.8	2469	20.5	12036
1879	3145	26.8	644	5.5	2809	23.9	1936	16.5	702	6.0	2494	21.3	11730
1900	1389	16.6	816	9.8	1686	20.2	1869	22.4	929	11.1	1664	19.9	8353
1920	958	21.5	564	12.7	897	20.2	523	11.8	343	7.7	1166	26.2	4451
1940	462	18.3	169	6.7	660	26.2	518	20.5	394	15.6	318	12.6	2521

Regions: (1) Gullbringu- og Kjósarsýsla, Reykjavík og Vestmannaeyjar. (The Southwest-region).

(2) Snæfellsnes.

(3) Barðastranda- og Ísafjarðarsýsla. (The Northwest-region, or "Vestfirðir").

(4) Skagarfjarðar-, Eyjafjarðar-, og Þingeyjarsýsla. (The North region)

(5) Norður- og Suður Múlasýsla. (The East region, or Austfirðir).

(6) Skaftafells-, Rangárvalla-, Árnes-, Borgarfjarðar-, Dala-, Stranda-, og Húnavatnssýsla.

Sources: Skýrslur um landshagi á Íslandi, vols. I-V; Stjórnartíðindi 1874-82 (B&C); Landshagsskýrslur fyrir Ísland 1901; Fiskiskýrslur og hlunninda 1920 and 1940 (in Hagskýrslur Íslands no. 36 & 115).

Table D.7. The distribution of rowing boats by size and regions, 1770-1920. (Per cent).

	R E G I O N S					
	(1)	(2)	(3)	(4)	(5)	(6)
<u>1-3 oars</u>						
1791	44.9	6.9	22.8	7.5	2.8	15.1
1800	34.6	5.9	27.4	11.5	3.0	17.6
1810	29.8	4.3	29.1	10.6	5.7	20.5
1820	24.9	5.9	28.1	14.6	6.4	20.1
1834	39.8	5.8	19.5	11.7	5.2	18.0
1845	36.6	5.8	20.5	13.7	4.8	18.6
1855	34.1	3.9	16.4	15.2	6.5	23.9
1864	37.0	4.1	17.5	14.7	6.1	20.7
1871	26.6	4.5	22.1	17.0	10.6	19.1
1879	16.8	5.0	23.8	18.3	16.6	19.5
1899	3.6	7.5	12.8	20.3	45.9	9.9
<u>4-6 oars</u>						
1770	14.2	14.5	23.3	17.8	10.9	19.4
1800	25.0	12.3	21.6	12.3	9.8	18.9
1813	24.1	15.1	19.5	13.7	7.8	19.8
1820	26.4	11.8	19.7	15.0	10.0	17.2
1830	24.4	10.9	18.1	15.1	12.4	19.0
1852	16.1	11.6	22.5	20.5	10.9	18.4
1856	14.4	8.9	27.5	20.2	9.9	19.1
1861	16.7	7.9	24.5	19.7	9.2	21.9
1871	29.5	6.7	19.8	20.0	6.9	17.1
1875	36.4	4.6	20.7	16.6	4.4	17.2
1879	29.5	5.1	25.2	19.5	2.5	18.2
1901	13.9	6.7	25.5	28.0	4.6	20.4
<u>8-12 oars</u>						
1791	7.8	33.2	21.0	6.3	0.5	31.2
1800	4.5	30.5	26.4	6.4	0.5	31.8
1820	14.2	17.3	27.1	8.4	0.4	32.4
1845	14.3	16.0	26.1	13.4	1.3	29.0
1855	18.8	21.8	15.4	9.0	0.4	34.6
1879	34.1	7.6	19.9	2.8	0.5	35.1
1900	45.9	12.3	4.1	11.5	0.8	25.4
1920	29.9	14.2	0.8	-	-	55.1

Regions:

- (1) Gullbringu- and Kjósarsýsla, Reykjavík, Vestmannaeyjar.
- (2) Snæfellsnes.
- (3) Barðastrandasýsla and Ísafjarðarsýsla.
- (4) Skagafjarðar-, Eyjafjarðar-, and Þingeyjarsýsla.
- (5) Norður- and Suður Múlasýsla.
- (6) Skaftafells-, Rangárvalla-, Árnes-, Borgarfjarðars-, Dala-, Stranda-, and Húnavatnssýsla.

Sources : Skýrslur um landshagi á Íslandi, vols. I-V; Stjórnartíðindi 1874-82 (B&C); Landshagsskýrslur fyrir Ísland, 1901; Fiskiskýrslur og hlunninda 1920 & 1940 (Hagskýrslur Íslands no. 36 & 115).

Table D.8. Fishing vessels (larger than 12 GRT) and fishermen by main categories in Reykjavik, 1891-1940

Year	VESSELS			FISHERMEN					
				N U M B E R S			Per Cent		
	Sail boats	Trawl. & Mot.	Steam Tot. boats	Sail boats	Trawl. & Mot.	Steam Tot. boats	Sail boats	Trawl. & Mot.	Steam
1891	10		10	136			100.0		
92	12		12	149			-		
93	13		13	176			-		
94	-		-	-			-		
95	18		18	267			-		
96	24		24	363			-		
97	30		30	505			-		
98	34		34	588			-		
99	35		35	607			-		
1900	31		31	602			-		
01	41		41	826			-		
02	37		37	763			-		
03	35		35	731			-		
04	31		31	674			-		
05	39		39	825			100.0		
06	41	1	42	822	13	-	835	98.4	1.6
07	35	2	38	675	36	19	730	92.5	4.9 2.6
08	32	5	37	669	85	-	754	88.7	11.3 -
09	33	5	38	705	106	-	811	86.9	13.1 -
1910	32	6	38	765	124	-	889	86.1	13.9 -
11	30	10	40	746	198	-	944	79.0	21.0 -
12	26	19	46	638	409	10	1057	60.4	38.7 0.9
13	22	16	39	546	342	8	896	60.9	38.2 0.9
14	14	17	32	353	358	8	719	49.1	49.8 1.1
15	14	16	31	362	341	12	715	50.6	47.7 1.7
16	15	17	50	333	378	237	948	35.1	39.9 25.0
17	12	17	52	306	405	288	999	30.6	40.5 28.8
18	15	8	38	339	153	194	686	49.4	22.3 28.3
19	7	10	41	152	221	387	760	20.0	29.1 50.9
1920	-	23	38	-	566	265	831	-	68.1 31.9
21	-	24	35	-	663	199	862	-	76.9 23.1
22	-	26	35	-	697	183	880	-	79.2 20.8
23	-	24	33	-	656	180	836	-	78.5 21.5
24	-	26	41	-	697	264	961	-	72.5 27.5
25	-	27	49	-	733	380	1113	-	65.9 34.1
26	-	25	44	-	635	309	944	-	67.3 32.7
27	-	26	50	-	667	362	1029	-	64.8 35.2
28	-	26	45	-	697	291	988	-	70.5 29.5
29	-	26	44	-	687	288	975	-	70.5 29.5
1930	-	26	39	-	715	226	941	-	76.0 24.0
31	-	24	33	-	653	144	797	-	81.9 18.1
32	-	28	35	-	759	104	863	-	87.9 12.1
33	-	24	49	-	648	316	964	-	67.2 32.8
34	-	23	41	-	611	239	850	-	71.9 28.1
35	-	23	37	-	615	192	807	-	76.2 26.2
36	-	24	40	-	644	229	873	-	73.8 26.2
37	-	23	39	-	599	222	821	-	73.0 27.0
38	-	23	44	-	598	243	841	-	71.1 28.9
39	-	23	47	-	582	260	842	-	69.1 30.9
1940	-	21	52	-	460	339	799	-	57.6 42.4

Sources: Þjóðskjalasafn: Skipshafnarskrár, 1891-1896 (Landshöfðingja-safn); Landshagsskýrslur fyrir Ísland 1898-1912; Fiskiskýrslur og hlunninda 1912-1940 (Hagskýrslur Íslands).

Table D.9. Regional division of fishermen in Iceland 1897-1940.
(vessels larger than 12 GRT) Per cent.

Year	R E G I O N S							
	1a	1b	1.	2.	3.	4.	5.	6.
1897	36.2	3.0	39.2	1.0	40.5	15.5	-	3.8
98	37.1	7.4	44.4	1.1	36.4	14.6	-	3.5
99	41.0	3.6	44.6	1.0	29.3	17.1	6.2	1.8
1900	39.1	1.8	40.9	-	34.1	15.9	7.5	1.6
01	46.8	3.1	49.9	1.9	31.4	16.2	-	0.6
02	37.5	17.5	55.0	2.1	23.7	15.4	2.9	0.9
03	37.9	14.6	52.5	3.3	27.2	13.9	2.3	0.8
04	35.4	11.4	46.8	3.4	29.2	18.4	1.3	0.9
05	37.0	13.0	50.0	3.1	26.3	18.9	1.7	-
06	35.1	14.0	49.1	3.1	25.8	20.7	1.3	-
07	33.2	13.7	46.9	3.6	25.4	23.2	0.9	-
08	33.4	12.6	46.0	4.1	26.9	20.7	2.3	-
09	38.2	7.6	45.8	3.0	27.7	20.5	3.0	-
1910	36.5	10.8	47.3	3.1	26.8	20.8	2.0	-
11	39.6	7.8	47.4	3.5	29.5	18.3	1.3	-
12	40.7	9.8	50.5	2.9	29.3	16.6	0.7	-
13	38.7	3.7	42.4	3.1	36.8	17.4	0.3	-
14	35.3	6.5	41.8	6.2	31.7	19.0	0.5	0.8
15	30.2	7.6	37.8	5.5	36.3	18.2	1.8	0.4
16	33.3	9.8	43.1	4.6	29.7	17.8	1.4	0.5
17	33.9	11.7	45.6	3.3	29.9	17.5	2.5	1.2
18	27.8	15.9	43.7	3.2	27.3	21.3	2.3	2.2
19	28.5	14.4	42.9	2.8	30.8	21.7	1.0	0.8
1920	32.4	14.7	47.1	2.3	28.3	18.3	1.0	3.0
21	33.6	16.7	50.3	3.4	27.4	14.0	2.0	2.9
22	29.1	17.0	46.1	3.0	26.4	19.1	2.8	2.6
23	27.7	17.7	45.4	2.8	20.7	24.3	4.6	2.2
24	25.6	22.7	48.3	1.7	21.8	22.8	3.7	1.7
25	27.6	25.5	53.1	2.0	19.6	20.9	3.1	1.3
26	28.6	29.3	57.9	1.8	18.1	18.0	2.2	2.0
27	30.2	29.4	59.6	2.1	13.6	18.6	3.4	2.7
28	28.9	33.6	62.5	2.1	12.9	16.1	3.0	3.4
29	27.5	33.4	60.9	1.9	13.3	15.2	4.3	2.3
1930	26.7	33.6	60.3	1.1	12.9	16.6	4.3	4.8
31	24.6	36.4	61.0	1.2	9.9	16.8	5.0	6.1
32	26.2	38.0	64.2	0.9	7.2	16.1	4.1	7.5
33	27.1	35.4	62.5	0.6	12.5	13.6	3.0	7.8
34	22.1	33.3	55.4	1.1	12.6	18.7	3.9	8.3
35	21.6	33.1	54.7	1.1	15.0	14.6	5.9	8.7
36	21.2	29.2	50.4	1.1	13.7	19.1	6.5	9.2
37	20.6	30.9	51.5	1.8	12.4	19.9	6.8	7.7
38	21.8	29.7	51.5	0.9	11.1	21.3	7.2	8.0
39	21.0	28.9	49.9	0.9	11.7	23.5	7.2	6.7
1940	20.6	29.5	50.1	0.9	12.0	22.2	7.0	7.9

Regions:

- 1a. The Reykjavík area (incl. Seltj. nes, Engey, Viðey and Gufunes).
- 1b. Gullbringu- and Kjósarsýsla, and Vestmannaeyjar.
1. The Southwest region (Suðvesturland).
2. Snæfellsnes.
3. Barðastrandasýsla and Ísafjarðarsýsla.
4. Skagafjarðar-, Eyjafjarðar-, and Þingeyjarsýsla.
5. Norður-, and Suður Múlasýsla.
6. Skaftafells-, Rangárvalla-, Árnes-, Borgarfjarðar-, Dala-, Stranda-, and Húnavatnssýsla.

Sources: Landshagsskýrslur fyrir Ísland 1898-1912; Fiskiskýrslur og hlunninda 1912-1940 (Hagskýrslur Íslands).

Table D.10. Fishermen in Iceland, boats and vessels combined, 1897-1940

Year	Sail vessels	Trawl- ers	Steam vessels	Motor vessels	Rowing boats	Motor boats	Total
1897	1808						
98	1950						
99	1937						
1900	2165						
01	2183				8549		10732
02	2507				8609	5	11121
03	2406		20		7706	20	10152
04	2632		20		7359	144	10155
05	2772	15	38		7327	350	10502
06	2672	29	22	13	6697	615	10048
07	2374	47	47	11	5808	1360	9647
08	2267	84	106	11	5456	1510	9434
09	2020	106	57	13	5478	1625	9299
1910	2349	124	37	13	4852	1750	9125
11	2198	198	44	21	4878	1762	8801
12	1963	427	62	142	4946	1989	9529
13	1722	376	44	174	4398	1925	8639
14	1393	395	46	203	4532	1980	8549
15	1476	413	97	379	5148	1935	9448
16	1410	467	103	867	4550	2056	9453
17	1094	470	102	1279	4876	2127	9948
18	950	218	18	1241	5493	1888	9808
19	831	285	36	1519	4716	1944	9331
1920	484	675	36	1372	4451	1929	8947
21	430	759	20	1358	3916	1811	8294
22	549	805	104	1565	3845	1909	8777
23	364	777	217	1666	3457	1792	8273
24	308	1043	339	2071	3754	1920	9435
25	136	1223	439	2236	3537	1977	9548
26	14	1153	439	1889	2809	1981	8285
27	15	1152	478	1912	2697	2363	8617
28	-	1231	323	2015	2331	2988	8888
29	-	1197	538	2138	2331	3535	9739
1930	-	1106	605	2134	856	3355	8056
31	-	1056	418	2079	521	2977	7051
32	-	992	313	1862	628	2909	6704
33	-	1021	422	2071	504	2988	7006
34	-	1012	548	2235	495	2976	7266
35	-	985	409	2337	417	2700	6848
36	-	1007	540	2572	344	2501	6964
37	-	972	498	2516	374	2355	6715
38	-	956	485	2422	325	2162	6350
39	-	938	448	2623	335	2257	6601
1940	-	765	400	2713	279	2521	6678

Sources: Landshagsskýrslur fyrir Ísland 1898-1912; Fiskiskýrslur og hiunninda 1912-1940 (Hagskýrslur Íslands).

Notes to Appendix D.

1. The National Archive (Þjóðskjalasafn): Landshöfðingjasafn: "Skýrslur um þilskip, opin skip og báta 1875-1899"; "Skipshafnarskrár fyrir Reykjavík" 1891-96. The crew lists were originally performed in the spirit of paragraph 13 (vistráðabálkur) in the Navigation Act of 1890, and not particularly for purposes of insurances. The act was in force for the domestic decked wessels at least. (Stjórnartíðindi 1890, A 30-65; Alþingi og félagsmálin, p 35.
2. See Chapter 6 and Appendix A.
3. Prior to the Taxation Act in 1877 (in force 1879) the only form of income tax was the so called "manntalsfiskur" which was levied on migrant fishermen in the district of Snæfellsnes and Gullbringusýsla. If their share became larger than 30 fishes in Snæfellsnes and 60 fishes in Gullbringusýsla the tax was two fishes and three fishes respectively. See more in Ólafur Björnsson: "Tekjuöflun hins opinbera." in Klemens Tryggvason et al: Alþingi og fjárhagsmálin 1845-1944, p 76ff. Also in Björn Bjarnason: "Ágrip af sögu íslenskrar skattalöggjafar.", in Afmælisrit til Þorsteins Þorsteinssonar, p 41-83.
4. Skjalasafn Landshöfðingja: "Skýrslur um þilskip, opin skip og báta 1875-1899" (A letter dated 28/2 1884, Fylgiskjal no. 4).
5. Here, I refer only to the papers classified either as "Fiskveiðaskýrslur" or "Skýrslur um þilskip, opin skip og báta 1875-1899."
6. Paragraphs 13 and 16 in "vistráðabálkur". Stjórnartíð. 1890, A p 30-65.
7. The extra men were "yfirskipsmenn" ("extra-crew") See Lúðvík Kristjánsson: Íslenskir sjávarhættir III, p 448.
8. Pétur G. Guðmundsson: Tíu ára starfssaga Sjömannafélags Reykjavíkur, p 150; Alþingistíðindi 1928 B, 4180; "Fundagerðabók (The minutes of) Sjömannafélag Reykjavíkur 1922-1931 (5/3 1924); Gjörðabók fyrir stjórn Sjömannafélags Reykjavíkur 1922-1929 (11/3 1924); Alþýðublaðið 14/8 and 15/8 1922; Páll Línadal: Bærnir byggjast, p 71.
9. Þórbergur Þórðarson: "Lifnaðarhættir í Reykjavík á síðara helmingi 19. aldar." p 80ff.
10. See Lúðvík Kristjánsson: Íslenskir sjávarhættir, vol. 2, where the seasons are thoroughly discussed, p 367ff.
11. The term is applied in E.P.Thompson: "Time, work-discipline, and industrial capitalism." See f ex page 42.
12. Jóhann Bárðarson: Áraskip, p 59-64; Also Lúðvík Kristjánsson who well illustrates the complexities of the fishermen's earning and bonuses, op. cit. vol. 3, p 303-16, 449-50.
13. Trygve Solhaug: De Norske fiskeriers historie 1815-1880, vol. 2, p 615; also Ægir - Afmælisrit (1959), p 139.
14. K.Marx: Capital, vol. 1, p 453, 454.
15. Ibid., p 443.
16. See Appendix table D.3.
17. K.Marx: op. cit., p 304.
18. Jürgen Mendner: Teknologisk utveckling i den kapitalistiska arbetsprocessen, p 29-30.
19. G.A.Cohen: Karl Marx's theory of history. A defence, p 101. Cohen refers here to Marx's Capital vol. 1.
20. Gareth Stedman Jones: "Class struggle and the industrial revolution." in New Left Review, no. 90 (1975), p 49-50.

21. Heimir Þorleifsson: Saga Íslenskrar togaraútgerðar fram til 1917, p 114-21.
22. Fiskiskýrslur og hlunninda 1920 (Fisheries statistics); Hagskýrslur Íslands no. 36. NB! The herring catches are excluded.
23. Sigfús Jónsson: The development of the Icelandic fishing industry 1900-1940, p 152. The figures included all types of wessels, but if by refering to trawlers only the catches would show more even catches by months than the smaller wessels.
24. Ásgeir Jakobsson: Kastað í Flóanum, p 136.
25. Ásgeir Jakobsson: Tryggva saga Ófeigssonar, pp. 317-26.
26. Ibid., p 322; also Á.J.: Kastað í Flóanum, p 175f, passim.
27. Ásgeir Jakobsson: Kastað í Flóanum, p 192.
28. Ásgeir Jakobsson: Tryggva saga Ófeigssonar, p 322.
29. Sigfús Jónsson: The development of the Icelandic fishing industry 1900-1940, p 157.
30. Davíð Ólafsson: "Bræðslusíldin", in *Ægir - afmælisrit* (1959), p 115.
31. Ibid., p 113; also Skipulagsnefnd Atvinnumála. Álit og tillögur I, p 510ff.
32. Ibid.; see also "Rannsókn á rekstri Síldarverksmiðja ríkisins", p 8-15, 139.
33. Sigfús Jónsson: op. cit., Appendix II.
34. Jóhannes Nordal, Ólafur Tómasson: "Frá floti til flots; þættir úr sögu gengismála 1922-1973." in Klemensabók, esp. pp 215-19; Ólafur Björnsson: Þjóðarbúskapur Íslendinga (1964), p 173f.

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